

Town of Colonie Local Development Corporation

Board Minutes
April 23, 2018 Meeting

Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing on the Shaker Pointe at Carondelet, Inc. series 2018 bond issuance called to order by John Kearney, President, at 6:00 pm.

See Transcript of the TEFRA Hearing on file in Mr. LaCivita's Office.

Mr. Kearney closed the TEFRA Hearing at 6:06

Meeting called to order by John Kearney, President, at 6:55 pm. The Corporation meeting was conducted simultaneously with the Town of Colonie Industrial Development Agency meeting due to common actions necessary this evening.

Members in attendance:

John Kearney, President	
Alison Blessing	Carmino Basile
Peter Gannon	Gary Rinaldi
Benjamin Syden (entered a 7:00 pm)	

Members absent:

Eric Phillips

Other Persons in attendance:

Agency Counsel: Connie Cahill and Melissa Bennett, Barclay Damon LLP
Chief Executive Officer: Joseph LaCivita
Chief Fiscal Officer: Christopher Kelsey

Approval of the Minutes

Mr. Kearney indicated the draft of the March 19, 2018 minutes were in the Board packets for review.

MOTION: To accept the March 19, 2018 minutes as provided. Motion offered by Peter Gannon and seconded by Carmino Basile. Mr. Syden was not present. Motion was unanimously approved by the remaining members in attendance.

Mr. Syden entered the meeting

Finance Committee Report

Mr. Basile indicated the Finance Committee met at 5:45 this evening to discuss the issuance of \$13,498,300 of bonds by the Corporation to facilitate the Shaker Pointe at Carondelet, Inc. Project's phase IV construction and refinancing of a portion of the phase III debt issuance.

Ms. Cahill previously advised the Finance Committee, and now the full Board, that Ms. Blessing advised her of a conflict with this project and she will be recusing herself from all actions taken related to this project.

The finance committee passed the following Committee Resolution (see attached extract of minutes of the April 23, 2018 meeting of the Finance Committee of the Town of Colonie Local Development Corporation):

The Members of the Finance Committee hereby (A) determine that it is in the best interest of economic development in the Town for the Issuer to issue the Bond; and (B) recommend that the Issuer undertake the Project and proceed with the issuance of the Bond upon the terms and conditions described in the Bond Purchase Agreement, the Loan Agreement and the other documents to be executed and delivered in connection with the issuance of the bond. This Committee Resolution was offered by Mr. Basile and seconded by Mr. Rinaldi. Ms. Blessing recused herself, and the resolution was unanimously adopted by the remaining members of the Finance Committee.

Chief Executive Officer's Report

Mr. LaCivita indicated he had nothing to report related to the Corporation this evening.

Chief Fiscal Officer's Report

Mr. Kelsey indicated the internal financial statements for the quarter ended March 31, 2018 were included with the board package this evening. He provided a brief overview of the statements.

Old Business

Website Updates: Mr. Gannon indicated he, with a significant amount of help from Ms. Bennett, had spent the last month reviewing websites of other IDAs. He narrowed the list of best sites identified by Ms. Bennett to about 10 sites. Within the 10 there were three that he felt were excellent sites and had items he would like to see our website mirror. Specifically the Suffolk County, Dutchess County and Genesee County IDAs websites were examples of his thoughts on best practices the Agency could manage at its size and budget.

All three incorporated aspects of social media as part of the outreach to the prospective markets. This would necessitate a staffing commitment on the part of the Agency which needs to be considered. They all discuss the incentives available at the local, county and state levels, identify/discuss Agency targeted sites, and available sites. They also concentrate on attracting the “target” industries of each Agency.

Mr. Syden thanked Mr. Gannon for his work and commitment to this project.

Mr. Kearney then appointed the new “Website Committee”. Mr. Gannon, Mr. Phillips and Mr. Syden will serve on the Committee with Mr. Gannon as Chairperson.

New Business

Shaker Pointe at Carondelet, Inc. – Ms. Cahill indicated there was a resolution before the members this evening authorizing the issuance of the bonds related to the Shaker Pointe at Carondelet, Inc. Project Phase IV. Earlier this evening the TEFRA hearing was completed and the Finance Committee recommended the issuance of the bonds.

RESOLUTION 2018-005: Authorizing the issuance and sale by the Town of Colonie Local Development Corporation of its tax-exempt revenue bond (Shaker Pointe at Carondelet, Inc. Project), Series 2018 in the aggregate principal amount not to exceed thirteen million four hundred ninety-eight thousand three hundred dollars (\$13,498,300) and the execution of related documents. Resolution offered by Mr. Basile and seconded by Mr. Rinaldi. Ms. Blessing recused herself. Resolution was unanimously approved by the remaining members in attendance.

Meeting adjourned at 7:15 pm.

Next meeting will be June 18, 2018 at 6:00 pm at 347 Old Niskayuna Road, Latham, NY 12110.

RESOLUTION 2018-005 - RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE TOWN OF COLONIE LOCAL DEVELOPMENT CORPORATION OF ITS TAX-EXEMPT REVENUE BOND (SHAKER POINTE AT CARONDELET, INC. PROJECT), SERIES 2018 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED THIRTEEN MILLION FOUR HUNDRED NINETY-EIGHT THOUSAND THREE HUNDRED DOLLARS (\$13,498,300) AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, Article 14 of the Not-for-Profit Law (“NFP Law”) of the State of New York (the “State”) was duly enacted into law as Chapter 1066 of the Laws of 1969 of the State; and

WHEREAS, the NFP Law provides for the incorporation of local development corporations to relieve and reduce unemployment, promote and provide for additional and maximum employment, for the bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, carrying on scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area or by encouraging the development, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, the Town of Colonie Local Development Corporation (the “Issuer”) is authorized and empowered by NFP Law and a resolution (the “Resolution” and, with the NFP Law, the “Act”) adopted by the Town Board of the Town of Colonie (the “Town”) to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities in the Town and lessen the burdens of government and act in the public interest; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered to construct, acquire, rehabilitate and improve for use by others, industrial or manufacturing plants in the Town; to assist financially in such construction, acquisition, rehabilitation and improvement; and to issue negotiable revenue bonds, notes and other obligations on behalf of the Town for the benefit of not-for-profit corporations and private entities to finance projects; and

WHEREAS, Shaker Point at Carondelet, Inc. (the “Company”) presented an application (the “Application”) to the Issuer, requesting that the Issuer consider undertaking a project (the “Project”) consisting of the following: (A) the issuance and sale of its tax-exempt revenue bond to finance (1) the construction of a 3-story building containing approximately 35 independent living units for senior citizens (the “Facility”) located on approximately 30 acres of land located at One Bell Tower Drive in the Town of Colonie, Albany County, New York (the “Land”), and the acquisition and installation therein and thereon of various furniture, machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Series 2018 Project Facility”); (2) the refinancing of the outstanding principal balance of the Issuer’s \$15,000,000 Tax-Exempt Revenue Bond (Shaker Pointe at Carondelet, Inc. Project), Series 2014 (the “Series 2014 Bond”); and (3) the payment of costs incidental to the issuance of the bond, including costs of issuance of the bond; and (B) the granting of the mortgage recording tax exemption (except as may be limited by Chapter 394 of the Laws of 2016 of the State, as amended by Chapter 3 of the Laws of 2017 of the State) with respect to the recording of any mortgage with the County Clerk of the County of Albany; and

WHEREAS, the Company leases the Land from the Society of the Sisters of St. Joseph (the “Society”) pursuant to a Lease Agreement dated July 16, 2008; and

WHEREAS, the proceeds of the Series 2014 Bond were used to finance construction of a three-story building containing approximately 56 independent living units for senior citizens and offices located on the Land and the acquisition and installation therein and thereon of various machinery and equipment (the “Series 2014 Project Facility” and, together with the Series 2018 Project Facility, the “Project Facility”); and

WHEREAS, pursuant to a resolution adopted by the Issuer on March 19, 2018 (the “Preliminary Inducement Resolution”), the members of the Issuer agreed, subject to numerous conditions, to accept the Application and enter into a preliminary agreement relating thereto (the “Preliminary Agreement”) with the Company; and

WHEREAS, the Agency has entered into the Preliminary Agreement with the Company dated March 19, 2018; and

WHEREAS, pursuant to the authorization contained in the Preliminary Inducement Resolution, the Issuer (A) caused notice of public hearing of the Issuer (the “TEFRA Hearing”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), to be published on April 5, 2018 in the Times Union and the Colonie Spotlight, newspapers of general circulation available to the residents of the Town, and (B) conducted the Public Hearing on April 23, 2018, at 6:00 o’clock, p.m., local time at the Town of Colonie Public Operations Center, 347 Old Niskayuna Road, Latham in the Town of Colonie, New York; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Project had been subject to an environmental review, as part of a larger project on the Land, pursuant to the requirements of the State Environmental Quality Review Act and the regulations thereunder, resulting in the issuance of a negative declaration by the Issuer by resolution dated October 24, 2011 and the negative declaration is still in effect; and

WHEREAS, as required by Section 2824(8) of the Public Authorities Law, the Issuer’s Finance Committee, on the date hereof, reviewed the proposal for the issuance of the Bond (as hereinafter defined) by the Issuer to finance a portion of the costs of the Project, recommended that the Issuer undertake the Project and proceed with the issuance of the Bond, and determined that it is in the best interest of economic development in the Town for the Issuer to issue the Bond; and

WHEREAS, the Issuer will now approve the issuance the Issuer’s Tax-Exempt Revenue Bond (Shaker Pointe at Carondelet, Inc. Project), Series 2018 in the aggregate principal amount of not to exceed \$13,498,300 (the “Bond”) for the purpose of financing a portion of the costs of the Project; and

WHEREAS, the Issuer and the Company will enter into a Loan Agreement dated as of May 1, 2018 (the “Loan Agreement”), pursuant to which the Issuer will make a loan of the proceeds of the Bond to the Company to finance a portion of the costs of the Project, and the Company will, among other things, agree to make loan payments in an amount sufficient to pay debt service on the Bond; and

WHEREAS, M&T Bank (the “Bank”) has offered to purchase the Bond pursuant to a Bond Purchase Agreement dated as of May 1, 2018 (the “Bond Purchase Agreement”), to be entered into by and among the Issuer, the Company and the Bank; and

WHEREAS, as security for the repayment of the Bond, the Issuer will, among other things, assign all of its right, title and interest in and to the Loan Agreement and certain other documents to the Bank pursuant to a certain Pledge and Assignment, dated as of May 1, 2018 (the “Pledge and Assignment”), between the Issuer and the Bank, with an acknowledgment by the Company; and

WHEREAS, to secure the Company’s obligations with respect to the Loan Agreement, the Company and the Society will execute a mortgage dated the date of delivery of the Bond (the “Mortgage”) in favor of the Issuer and the Bank granting to the Issuer and the Bank a mortgage lien in the Project Facility; and

WHEREAS, pursuant to an assignment of mortgage dated as of the date of delivery of the Bond (the “Assignment”), the Issuer will assign the Mortgage to the Bank; and

WHEREAS, to further secure the Bond and the obligations of the Company with respect thereto, the Company will give a guaranty dated as of May 1, 2018 (the “Guaranty”) to the Issuer and the Bank; and

WHEREAS, to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer and the Company will execute a tax compliance agreement dated the date of delivery of the Bond (the “Tax Compliance Agreement”) relating to certain requirements set forth in the Code, (B) the Issuer will execute a completed Internal Revenue Service (“IRS”) Form 8038 (Information Return for Private Activity Bonds) relating to the Bond (an “Information Return”) pursuant to Section 149(e) of the Code, and file the Information Return with the IRS, and (C) the Bank will execute a certificate (the “Issue Price Certificate”) confirming the issue price of the Bond for purposes of Section 148 of the Code; and

WHEREAS, the Issuer has given due consideration to the Application and the representations by the Company that undertaking the Project and issuing the Bond, will (A) induce the Company to acquire, construct and operate the Series 2018 Project Facility in the Town; (B) provide needed affordable housing for seniors who desire to live in the Town; and (C) reduce unemployment and promote additional employment in the Town; and

WHEREAS, the undertaking of the Project and the issuance of the Bond in conjunction with the Project is for a proper purpose, to wit, to promote the reduction of unemployment, better and maintain additional job opportunities and lessen the burdens of government and is in the public interest;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE LOCAL DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and

develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration.

Section 2. It is among the purposes of the Issuer to promote, develop, encourage and assist in the acquisition, construction, rehabilitation and improvement of facilities for not-for profit corporations and thereby relieve and reduce unemployment, better and maintain job opportunities and lessen the burdens of government.

Section 3. Based upon representations made by the Company to the Issuer, the Issuer makes the following findings and determinations:

- (a) The findings in the Preliminary Inducement Resolution are ratified and confirmed.
- (b) The Project is in furtherance of the purposes of the Issuer.
- (c) The current refunding of the Series 2014 Bond is a condition to the Bank's providing financing for the Series 2018 Project Facility.
- (d) The issuance of the Bond will be an inducement to the Company to acquire, construct and operate the Series 2018 Project Facility in the Town.
- (e) It is desirable and in the public interest for the Issuer to issue its Bond to finance the costs of the Project, together with certain related costs and amounts, in an aggregate principal amount not to exceed \$13,498,300.
- (f) The Issuer is not undertaking the Project in place of, on behalf of, for the benefit of, or at the request of the Town.

Section 4. In consequence of the foregoing, the Issuer hereby determines to:

(a) execute the Bond Purchase Agreement, the Loan Agreement and the Pledge and Assignment in substantially the forms presented at this meeting, with such amendments or modifications as the Chairman, the Vice Chairman or other officer designated by the Chairman (the "Authorized Officer") deems necessary under the circumstances, provided no such amendment or modification materially alters the risk to the Issuer;

(b) issue and deliver the Bond to the Bank on or before December 31, 2018, subject however to the approval of the final terms of the Bond and the terms and conditions of the Bond Purchase Agreement by the Authorized Officer of the Issuer and the Company;

(d) use the proceeds of the Bond to make a loan to the Company pursuant to the Loan Agreement, including to finance a portion of the costs of the acquisition, construction and equipping of the Series 2018 Project Facility, currently refund the Series 2014 Bond and necessary incidental expenses in accordance with the Bond Purchase Agreement and the Loan Agreement;

(e) assign the Mortgage to the Bank and grant a mortgage recording tax exemption (except as may be limited by Chapter 394 of the Laws of 2016 of the State, as amended by Chapter 3 of the Laws of 2017 of the State) with respect to the recording of such mortgage;

(f) execute the Tax Compliance Agreement and a completed Information Return and file the Information Return with the Internal Revenue Service in connection with the issuance of the Bond; and

(g) execute and deliver all other documents and certificates required in connection with issuance and sale of the Bond, including the documents and certificates identified on the draft closing memorandum, a copy of which was presented at this meeting, and any other documents as may be required to accomplish the Project and qualify the interest on the Bond for tax-exempt status under Section 103 of the Code (collectively, the “Bond Documents”).

Section 5. The Issuer is hereby authorized to undertake the Project, issue the Bond to finance the costs of acquisition, construction and equipping of the Series 2018 Project Facility, currently refund the Series 2014 Bond, and pay necessary incidental expenses related thereto, including costs of issuance of the Bond, and grant the mortgage recording tax exemption (except as may be limited by Chapter 394 of the Laws of 2016 of the State, as amended by Chapter 3 of the Laws of 2017 of the State) with respect to the recording of any mortgage with the County Clerk of the County of Albany. All acts previously taken by the Issuer with respect to the Project and the issuance of the Bond are hereby approved, ratified and confirmed.

Section 6. Subject to receipt of the approval of the Town of Colonie of the issuance of the Bond pursuant to, and solely for the purposes of, Section 147 of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver the Bond in accordance with the provisions of the Bond Purchase Agreement and the terms authorized in this Resolution. Each of the Authorized Officers of the Issuer is hereby authorized, on behalf of the Issuer, to execute (by manual or facsimile signature) and deliver the Bond Documents, on such terms and conditions as shall be consistent with this Resolution and approved by an Authorized Officer, the execution thereof by such Authorized Officer constituting conclusive evidence of such approval.

Section 7. There is hereby expressly delegated to each Authorized Officer, subject to receipt of the approval of the Town of Colonie of the issuance of the Bond pursuant to, and solely for the purposes of, Section 147 of the Code and other the limitations contained herein, the power with respect to the Bond and the Bond Documents to determine and carry out the following:

(a) The issuance and sale of the Bond in accordance with the provisions of the Bond Purchase Agreement, provided that the purchase price paid by the Bank shall not be less than ninety-five percent (95%) of the principal amount of the Bond so sold;

(b) The principal amount of Bond to be issued, not to exceed an initial aggregate principal amount of \$13,498,300.

(c) The date, maturity date and principal amount of the Bond, the amount and date of each sinking fund installment, if any, and whether the Bond is a serial bond or term bonds if any, provided that the Bond shall not mature later than 30 years from the date of issuance;

(d) The formula for establishing the variable interest rate of the Bond and the date from which interest on the Bond shall accrue and the first interest payment date therefor;

(e) The form of the Bond, the place or places of payment of the Bond, denomination or denominations of and the manner of numbering and lettering the Bond;

(f) The redemption price or redemption prices, if any, and the redemption terms, if any, for the Bond;

(g) Directions for the application of the proceeds of the Bond; and

(h) Any other provisions deemed desirable by the Authorized Officer not in conflict with the provisions hereof or of the Bond Purchase Agreement.

Section 8. In addition to the authority hereinabove granted, the Authorized Officer of the Issuer is hereby authorized and directed, for and in the name and on behalf of the Issuer, to do and cause to be done any such other acts and things, to execute and deliver any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, and to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to in Section 3 of this Resolution, as they determine may be necessary or desirable to consummate the transactions contemplated by this Resolution, the Bond Documents and the other documents referred to above.

Section 9. The Bond, together with interest payable thereon, shall be special obligations of the Issuer payable solely from revenues (other than with respect to the Reserved Rights (as defined in the Loan Agreement) derived from sources set forth in the Loan Agreement. No covenant, stipulation, obligation or agreement contained in this Resolution or the Bond Documents or any other document referred to above shall be deemed to be the covenant, stipulation, obligation or agreement of any member, director, agent or employee of the Issuer in his or her individual capacity and neither the members or directors of the Issuer nor any officer executing the Bond shall be liable personally on the Bond or be subject to any personal liability or accountability by reason of the issuance thereof. Neither the member, directors or officers of the Issuer, nor any person executing the Bond or any of the Bond Documents or other documents referred to above on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Bond shall never be a debt of the State, the Town or any political subdivision thereof. The State, the Town or any political subdivision thereof shall not be liable thereon. None of the State, the Town or any political subdivision thereof is obligated to pay, and neither the faith and credit nor the taxing power of the State, the Town or any political subdivision thereof is pledged to the payment of, the principal or redemption price, if any, of or interest on, the Bond.

Section 10. A copy of this Resolution, together with documents presented at this meeting and referred to herein, shall be placed on file in the office of the Issuer where the same shall be available for public inspection during business hours.

Section 11. Any expense incurred by the Issuer with respect to the Project and the financing thereof shall be reimbursed out of the proceeds of the Bond or, in the event such proceeds are insufficient after payment of other costs of the Project, or the Bond is not issued by

the Issuer for any reason whatsoever, shall be paid by the Company. By acceptance hereof, the Company hereby agrees to pay such expenses and further agrees to indemnify the Issuer, its members, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer with respect to the Project and the financing thereof.

Section 12. Should the Issuer's participation in the Project or the financing be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Issuer and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Issuer's counsel. Should any court of competent jurisdiction determine that the Issuer is not authorized under the Act to make a loan to the Company or otherwise participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Issuer shall have no liability to the Company hereunder or otherwise.

Section 13. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>	<u>RECUSE</u>	<u>ABSENT</u>
Carmino Basile	X			
Alison Blessing			X	
Peter Gannon	X			
John Kearney	X			
Eric Phillips				X
Gary Rinaldi	X			
Benjamin Syden	X			

The Resolution was thereupon declared adopted.

**EXTRACT OF MINUTES OF APRIL 23, 2018 MEETING
OF THE FINANCE COMMITTEE OF THE TOWN OF COLONIE LOCAL
DEVELOPMENT CORPORATION**

At a meeting of the Finance Committee of the Town of Colonie Local Development Corporation, duly held on the 23rd day of April, 2018:

Present: Carmino Basile, Chairperson
Alison Blessing
Gary Rinaldi
John Kearney, Alternate

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Joseph LaCivita	Executive Director
Christopher Kelsey	Chief Financial Officer
M. Cornelia Cahill, Esq.	Barclay Damon LLP
Melissa Bennett, Esq.	Barclay Damon LLP

**RECOMMENDATION DATED APRIL 23, 2018 OF THE
FINANCE COMMITTEE OF THE TOWN OF COLONIE
LOCAL DEVELOPMENT CORPORATION REGARDING
THE ISSUANCE OF THE BOND BY THE ISSUER.**

WHEREAS, pursuant to Section 2824(8) of the Public Authorities Law of the State of New York, the Members of the Finance Committee of the Town of Colonie Local Development Corporation (the "Issuer") are required to review proposals for the issuance of debt by the Issuer and make recommendations; and

WHEREAS, the Members of the Finance Committee of the Issuer have reviewed the proposal for the Issuer to undertake a project (the "Project") on behalf of Shaker Pointe at Carondelet, Inc. (the "Company") consisting of the following: (A) the issuance and sale by the Issuer of its Tax-Exempt Revenue Bond (Shaker Pointe at Carondelet, Inc. Project), Series 2018 in the aggregate principal amount of up to \$13,498,300 (the "Bond") sufficient to finance: (1) the construction of a 3-story building containing approximately 35 independent living units for senior citizens (the "Facility") located on approximately 30 acres of land located at One Bell Tower Drive in the Town of Colonie, Albany County, New York (the "Land"), and the acquisition and installation therein and thereon of various furniture, machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Series 2018 Project Facility"); (2) the refinancing of the outstanding principal balance of the Issuer's \$15,000,000 Tax-Exempt Revenue Bond (Shaker Pointe at Carondelet, Inc. Project), Series 2014 (the "Series 2014 Bond"); and (3) the payment of costs incidental to the issuance of the Bond, including costs of issuance of the Bond; and (B) the granting of the mortgage recording tax exemption (except as may be limited by Chapter 394 of the Laws of 2016 of the State, as amended by Chapter 3 of the Laws of 2017 of the State) with respect to the recording of any mortgage with the County Clerk of the County of Albany; and

WHEREAS, the Bond is to be issued pursuant to a bond purchase agreement dated as of May 1, 2018 (the “Bond Purchase Agreement”) by and among the Issuer, the Company and M&T Bank, as holder of the Bond (the “Bank”); and

WHEREAS, to provide a source of payment for the Bond, the Issuer and the Company will enter into a loan agreement dated as of May 1, 2018 (the “Loan Agreement”), which Loan Agreement, among other things,) obligates the Company to (A) undertake and complete the Project, (B) make basic loan payments (the “Basic Payments”) equal to the principal and interest coming due on the Bond, and (C) make all payments and perform all other obligations of the Issuer pursuant to the Bond and the documents relating thereto; and

WHEREAS, to secure the Company’s obligations with respect to the Loan Agreement, the Company and the Society of the Sisters of St. Joseph (the “Society”) will execute a mortgage to be dated the date of delivery of the Bond (the “Mortgage”) to the Issuer and the Bank granting to the Issuer a mortgage lien on the Company’s interest in the Project Facility; and

WHEREAS, pursuant to an assignment of mortgage to be dated as of the date of delivery of the Bond (the “Assignment”), the Issuer will assign the Mortgage to the Bank; and

WHEREAS, to further secure the Bond, the Issuer will execute and deliver to the Bank a pledge and assignment dated as of the first day of the calendar month in which the Bond is issued (the “Pledge and Assignment”) from the Issuer to the Bank, which Pledge and Assignment will assign to the Bank certain of the Issuer’s rights under the Loan Agreement; and

WHEREAS, pursuant to the Pledge and Assignment, Basic Payments made by the Company under the Loan Agreement are to be paid directly to the Bank; and

WHEREAS, to further secure the Bond and the obligations of the Company, the Company will give a guaranty dated as of May 1, 2018 (the “Guaranty”) to the Issuer and the Bank;

NOW THEREFOR BE IT RESOLVED BY THE MEMBERS OF THE FINANCE COMMITTEE OF THE ISSUER AS FOLLOWS:

The Members of the Finance Committee hereby (A) determine that it is in the best interest of economic development in the Town for the Issuer to issue the Bond; and (B) recommend that the Issuer undertake the Project and proceed with the issuance of the Bond upon the terms and conditions described in the Bond Purchase Agreement, the Loan Agreement and the other documents to be executed and delivered in connection with the issuance of the Bond.

This Resolution shall take effect immediately upon its adoption.

Members of the Finance Committee

	<u>AYE</u>	<u>NAY</u>	<u>RECUSE</u>	<u>ABSENT</u>
Carmino Basile	X			
Alison Blessing			X	
Gary Rinaldi	X			
John Kearney, Alternate	X			