

**RESOLUTION AUTHORIZING RELEASE OF CERTAIN LANDS
CHAMPLAIN VALLEY PHYSICIANS HOSPITAL
MEDICAL CENTER 1998 PROJECT**

A regular meeting of County of Clinton Industrial Development Agency (the "Agency") was convened in public session at the 190 Banker Road, Suite 500 in the Town of Plattsburgh, Clinton County, New York on October 14, 2013 at 12:00 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following Directors of the Agency were:

PRESENT:

David Hoover	Vice Chairman
Michael E. Zurlo	Secretary
Kim Murray	Assistant Secretary
John VanNatten	Treasurer and Chief Financial Officer
Keith Defayette	Member

Excused:

Trent Trahan	Chairman
Mark Leta	Member

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Erin M. Hynes	Executive Director
Recording Secretary	Barbara Shute
George W. Cregg, Jr., Esq.	Agency Counsel

The following resolution was offered by K. Murray, seconded by M. Zurlo, to wit:

Resolution No. 10-13-01

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE RELEASE OF A CERTAIN PARCEL OF LAND FROM THE INSTALLMENT SALE AGREEMENT AND OTHER DOCUMENTS IN CONNECTION WITH THE CHAMPLAIN VALLEY PHYSICIANS HOSPITAL MEDICAL CENTER 1998 PROJECT.

WHEREAS, County of Clinton Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing,

10-14-13

industrial and recreational facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on November 12, 1998 (the "Closing Date"), the Agency issued its Civic Facility Revenue Bond (Champlain Valley Physicians Hospital Medical Center Project), Series 1998A in the principal amount of not to exceed \$5,000,000 (the "Bond") to assist in the financing of the cost of a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in an approximately 6.3 acre parcel of land located in the CPI Health Plaza at 75 Plaza Boulevard in the Town of Plattsburgh, Clinton County, New York (the "Land"), together with an approximately 53,000 square foot building located thereon (the "Facility"), (2) the renovation of approximately 20,000 square feet of the Facility (the "Renovations") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to constitute a facility to provide ambulatory surgery services and related activities (the Land, the Facility, the Renovations and the Equipment being 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 the Bond; (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 estate transfer taxes and mortgage recording taxes (collectively with the Bond, the "Financial Assistance"); and (D) the sale of the Project Facility to Champlain Valley Physicians Hospital Medical Center, a not-for-profit corporation (the "Company") pursuant to the terms of an installment sale agreement dated as of November 1, 1998 (the "Installment Sale Agreement") by and between the Company and the Agency; and

WHEREAS, the Bond was issued pursuant to a resolution adopted by the members of the Agency on November 9, 1998 (the "Bond Resolution") and various other documents (collectively, the "Bond Documents"), including a bond purchase and building loan agreement dated as of November 1, 1998 (the "Bond Purchase Agreement") by and among the Agency, the Company and NBT Bank, N.A. as original purchaser of the Bond (the "Holder"); an installment sale agreement dated as of November 1, 1998 (the "Installment Sale Agreement") by and between the Agency and the Company; a mortgage dated as of November 1, 1998 (the "Mortgage") from the Agency and the Company to the Holder; an assignment of leases and rents dated as of November 1, 1998 (the "Assignment of Rents") from the Agency and the Company to the Holder; a pledge and assignment dated as of November 1, 1998 (the "Pledge and Assignment") from the Agency to the Holder with acknowledgment thereof by the Company; and a guaranty dated as of November 1, 1998 (the "Guaranty") from the Company to the Holder; and

WHEREAS, the Company has requested (the "Request"), which Request is attached hereto as Exhibit A, the Agency to consent to the release (the "Release") of an approximately 28.01% portion of the Project Facility (the "Release Parcel") to enable the Company to lease the Release Parcel to for-profit entities; and

WHEREAS, Section 9.4 of the Installment Sale Agreement permits the Release as long as the Company obtains (A) the consents of the Agency and the Holder and (B) an opinion of Bond Counsel that the Release will not adversely affect the exclusion of the interest payable on the bonds issued by the Agency to finance the Project from gross income of the holders thereof for Federal income tax purposes; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations", and collectively with the SEQR Act, "SEQRA"), it appears that the release of the parcel is not an "Action" under SEQRA and therefore is not subject to a SEQRA review by the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Pursuant to SEQRA, the release of the parcel is not an "Action" under SEQRA and therefore is not subject to SEQRA review by the Agency.

Section 2. The Agency hereby consents to the Release and the execution of any documents necessary to effectuate the Release (collectively, the "Release Documents"); provided, however, that such consent is contingent upon (A) receipt by the Agency of the written consent of the Holder, (B) approval by Agency Counsel and Bond Counsel to the form of the Release Documents (including, if required, the inclusion of any other land to the Mortgage to replace the release of the Release Parcel), (C) compliance with the terms and conditions contained in the Bond Documents, (D) an opinion of Bond Counsel that the Release will not adversely affect the exclusion of the interest payable on the bonds issued by the Agency to finance the Project from gross income of the holders thereof for Federal income tax purposes, (E) evidence satisfactory to the Agency that all payments in lieu of taxes and other local fees and assessments relating to the Project Facility, if any, have been paid by the Company and (F) the payment by the Company of the administrative fee of the Agency, if any, and all other fees and expenses of the Agency in connection with the delivery of the Release Documents, including the fees of Agency Counsel and Bond Counsel.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairperson (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Release Documents and the modified Bond Documents to reflect the Release, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairperson (or Vice Chairman) shall approve, the execution thereof by the Chairperson (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Release, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Release.

Section 5. 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:

Trent Trahan	VOTING	EXCUSED
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Kim Murray	VOTING	YES
John VanNatten	VOTING	Abstained
Keith Defayette	VOTING	YES
Mark Leta	VOTING	EXCUSED

The foregoing Resolution was thereupon declared duly adopted.


STATE OF NEW YORK)
)SS.:
COUNTY OF CLINTON)

I, the undersigned, Secretary of the County of Clinton Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 14, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due public notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 14th day of October, 2013.


Michael E. Zurlo, Secretary

(S E A L)

EXHIBIT A
REQUEST



Champlain Valley Physicians
Hospital Medical Center
75 Beekman Street
Plattsburgh, New York 12901-1493

Stephens M. Mundy, FACHE
President

Telephone: 518-561-2000
www.cvph.org

October 1, 2013

County of Clinton Industrial Development Agency
190 Banker Road, Suite 500
Plattsburgh, New York 12901
Attention: Erin Hynes

NBT Bank National Association
482 Route 3
Plattsburgh, NY 12901
Attention: Brian Gladwin



**Re: 75 Plaza Boulevard, Plattsburgh Project Facility
\$5,000,000 Series 1998A Bond issued on November 12, 1998 (the "Bond")
Lease of portion of Project Facility to non-exempt entity**

Dear Erin and Brian:

This letter is written to notify the Agency and Holder of Champlain Valley Physicians Hospital's ("CVPH") intention to lease a portion of the Project Facility to a for profit entity which will affect 28.01% of the Project Facility, to commence and be effective on January 1, 2014. The for-profit entities are physician practice and a renal dialysis services company which will be providing medical services to the Plattsburgh community.

CVPH sends this notice and requests that (i) the Agency and Holder consent to the leasing of this portion of the Project Facility to for-profit entities so that these entities can provide needed medical services to the community and (ii) that CVPH intends to redeem the non-qualified portion of the Bond on or within 90 days after the date of execution and delivery of the Lease.

We will send a separate letter to Bond Counsel requesting that an opinion be provided to the Agency and Holder stating that the execution and delivery of the lease will not in and of itself adversely affect the tax exempt status of the Bond.

Please provide your consent to this proposed leasing of a portion of the Project Facility. Such consent can be addressed to the undersigned.

Thank you and please contact either myself or CVPH counsel Susanna Piller, Esq. (518-561-4400) directly with any questions regarding this request.

Very truly yours,

Joyce Raftery
Sr. Vice President / CFO

cc: Susanna S. Piller, Esq.
George W. Cregg, Esq.
Hodgson Russ LLP