

**RESOLUTION AUTHORIZING ADDITIONAL FINANCING  
LAKE FOREST SENIOR LIVING COMMUNITY, INC. PROJECT**

A regular meeting of County of Clinton Industrial Development Agency (the "Issuer") was convened in public session in the Clinton County Government Center located at 137 Margaret Street in the City of Plattsburgh, Clinton County, New York on October 15, 2018 at 12:00 o'clock p.m., local time.

The meeting was called to order by the (Vice) Chairperson of the Issuer and, upon roll being called, the following members of the Issuer were:

PRESENT:

Trent Trahan	Chairperson
David Hoover	Vice Chairperson
Michael E. Zurlo	Secretary
Keith Defayette	Treasurer
John VanNatten	Member

ABSENT:

Kim Murray	Assistant Secretary
Mark Leta	Member

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Renee McFarlin	Executive Director
Toni Moffat	Executive Assistant
Christopher C. Canada, Esq.	Issuer Bond Counsel

The following resolution was offered by M. Zurlo, seconded by J. VanNatten, to wit:

Resolution No. 10-18-01

RESOLUTION AUTHORIZING THE EXECUTION BY COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY OF CERTAIN DOCUMENTS IN CONNECTION WITH ADDITIONAL FINANCING RELATING TO THE LAKE FOREST SENIOR LIVING CENTER COMMUNITY, INC. PROJECT.

WHEREAS, County of Clinton Industrial Development Agency (the "Issuer") 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 distribution 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 Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction and installation of one or more “projects” (as defined in the Act), to acquire, construct and install said projects or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on June 18, 1999, the Issuer issued its Civic Facility Revenue Bond (Lake Forest Senior Living Community, Inc. Project), Series 1999A in the principal amount of not to exceed \$4,200,000 (the “Bond”) in order to assist in providing financing a project (the “Project”) for the benefit of Lake Forest Senior Living Community, Inc. (the “Company”) consisting of the following: (A) (1) the acquisition of an approximately 14.1 acre parcel of land located at the intersection of Ohio Avenue East and Nevada Oval East in the City of Plattsburgh, Clinton County, New York (the “Land”), together with 16 buildings containing in the aggregate approximately 20,274 square feet of space (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of 8 duplex residential buildings containing in the aggregate approximately 23,520 square feet of space and a congregate building containing approximately 50,888 square feet of space (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to constitute a senior-living community for middle income seniors (the Land, the Existing Facility, the Facility 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, transfer gains taxes, mortgage recording taxes and real property taxes (collectively with the Bond, the “Financial Assistance”); and (D) the sale of the Project Facility to the Company pursuant to an installment sale agreement dated as of June 1, 1999 (the “Installment Sale Agreement”) by and between the Issuer and the Company; and

WHEREAS, the Bond was issued pursuant to a resolution adopted by the members of the Issuer on May 14, 1999 (the “Bond Resolution”) and various other documents (collectively, the “Bond Documents”), including a bond purchase and building loan agreement dated as of June 1, 1999 (the “Bond Purchase Agreement”) by and among the Issuer, the Company and Adirondack Bank, National Association as original purchaser of the Bond (the “Holder”); an installment sale agreement dated as of June 1, 1999 (the “Installment Sale Agreement”) by and between the Issuer and the Company; a mortgage dated as of June 1, 1999 (the “Mortgage”) from the Issuer and the Company to the Holder; an assignment of leases and rents dated as of June 1, 1999 (the “Assignment of Rents”) from the Issuer and the Company to the Holder; a pledge and assignment dated as of June 1, 1999 (the “Pledge and Assignment”) from the Issuer to the Holder with acknowledgment thereof by the Company; and a guaranty dated as of June 1, 1999 (the “Guaranty”) from the Company to the Holder; and

WHEREAS, simultaneously with the issuance of the Bond, (A) the Company and the Issuer executed and delivered a certain lease agreement dated as of June 1, 1999 (the “Underlying Lease”), pursuant to which the Company agreed to lease the Land and the Facility to the Issuer for a term ending on the completion of the Project Facility, (B) the Company executed and delivered (1) a certain license agreement dated as of June 1, 1999 (the “License Agreement”) by and between the Company, as licensor,

and the Issuer, as licensee, pursuant to which the Company granted to the Issuer a license to enter upon the Project Facility, in the event of an occurrence of an Event of Default, for the purpose of pursuing its remedies under the Installment Sale Agreement and (2) a bill of sale dated as of June 1, 1999 (the "Bill of Sale to Issuer") from the Company to the Issuer, pursuant to which the Company conveyed to the Issuer its interest in the portion of the Project Facility constituting fixtures and other personal property (the above-enumerated documents being collectively referred to as the "Financing Documents"); and

WHEREAS, by correspondence dated October 9 and October 11, 2018 (collectively, the "Request"), which Request is attached hereto as Exhibit A, the Company has requested that the Issuer enter into a mortgage and other financing documents relating to the Request (collectively, the "Additional Financing Documents") to secure a loan in the maximum principal sum of \$2,225,000 from the Holder to the Company (the "Loan"); 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"), the Issuer must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

WHEREAS, pursuant to SEQRA, the Issuer has examined the Request in order to make a determination as to whether the Request is subject to SEQRA, and it appears that the Request constitutes a Type II action under SEQRA;

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

Section 1. Based upon an examination of the Request for the Project, the Issuer hereby makes the following determinations:

(A) That the actions described in the Request (collectively, the "Action") constitute a "Type II action" pursuant to 6 NYCRR 617.5(c)(23), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Issuer has no further responsibilities under SEQRA with respect to the Request for the Project.

(B) That the value of the mortgage recording tax exemption relating to the Request will not exceed \$100,000.

(C) That since compliance by the Issuer with the Request will not result in the Issuer providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Action.

Section 2. Subject to (A) receipt by the Issuer of the written consent of the Holder, (B) approval by Issuer Counsel and Bond Counsel to the form of the Additional Financing Documents, (C) compliance with the terms and conditions contained in the Financing Documents, (D) an opinion of Bond Counsel that the Request and Loan will not adversely affect the exclusion of the interest payable on the bonds issued by the Issuer to finance the Project from gross income of the holders thereof for Federal income tax purposes, if necessary, (E) evidence satisfactory to the Issuer 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 Issuer, if any, and all other fees and expenses of the Issuer in connection with the delivery of the Additional Financing Documents, including the fees of Issuer Counsel and Bond Counsel, the Issuer hereby authorizes (A) the execution by the Issuer of the Additional Financing Documents and (B) the execution and delivery by the Issuer of an affidavit of exemption from mortgage recording taxes with respect to the Additional Financing Documents.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman (or Vice Chairman) of the Issuer is hereby authorized to execute and deliver the Additional Financing Documents to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer 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 Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Additional Financing Documents, 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 Issuer with all of the terms, covenants and provisions of the Additional Financing Documents binding upon the Issuer.

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

The foregoing Resolution was thereupon declared duly adopted.

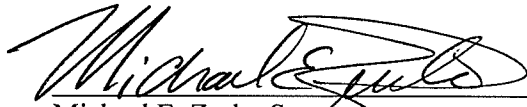
STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF CLINTON                 )

I, the undersigned (Assistant) Secretary of County of Clinton Industrial Development Agency (the “Issuer”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Issuer, including the Resolution contained therein, held on October 15, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of such proceedings of the Issuer and of such Resolution set forth therein so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respects 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 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 Issuer 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 Issuer this 15<sup>th</sup> day of October, 2018.

  
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Michael E. Zurlo, Secretary

(SEAL)

EXHIBIT A  
REQUEST

**Zeigler, Nadene**

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**From:** Jessica L. Miller <jmiller@staffordowens.com>  
**Sent:** Tuesday, October 9, 2018 9:22 AM  
**To:** Zeigler, Nadene  
**Subject:** Lake Forest

Hi Nadene – just following up to see if you had a chance to review the bond purchase agreement and make sure nothing else is required for Lake Forest’s new financing.

Also, they would like to have the IDA sign the mortgage in order to save mortgage tax. Therefore, we would ask that the IDA approve this at their October 15<sup>th</sup> meeting. And can you please confirm what the IDA’s fee and your fee will be?

Thanks.

Jess

Jessica Miller, Esq.  
**STAFFORD, OWENS, PILLER, MURNANE,  
KELLEHER & TROMBLEY, PLLC**  
One Cumberland Ave.  
Plattsburgh, NY 12901  
518-561-4400  
Fax: 518-561-4848  
[jmiller@staffordowens.com](mailto:jmiller@staffordowens.com)

Please know that our firm will never ask that you transfer money by wire or check without verbal confirmation. If you receive an e-mail from any third party or from our office requesting money be transferred, please report it to me immediately. Our office will only transfer money with verbal confirmation.

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**Zeigler, Nadene**

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**From:** Jessica L. Miller <jmiller@staffordowens.com>  
**Sent:** Thursday, October 11, 2018 10:48 AM  
**To:** McFarlin, Renee  
**Cc:** Zeigler, Nadene; Barbara J. Shute (bjshute@thedevelopcorp.com); Kevin R. Defayette (kevind@onlakeforest.org); Danielle Vallee; Joseph E. Saunders  
**Subject:** RE: Lake Forest  
**Importance:** High

Renee –

I spoke with my client and, while he also feels that an \$8,000 fee is excessive for the IDA's very limited involvement in this financing, they really have no choice but to accept this proposal.

That being said, in order to move forward with this, we would need confirmation that the IDA would be able to sign/close by the end of next week. Lake Forest cannot extend this closing date any further given how far they are in the construction process, so if having documents reviewed, approved and signed in a week is not feasible, then we will have to forego the mortgage tax savings.

Assuming this is doable on your end, Jef, can you please confirm that you could have the documents ready for IDA review by tomorrow at the latest? And Renee/Nadene – what else do you need from us other than the draft loan documents?

Thanks so much to everyone for their assistance and cooperation in this matter.

Jess

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**From:** McFarlin, Renee [mailto:Renee.McFarlin@clintoncountygov.com]  
**Sent:** Tuesday, October 09, 2018 4:22 PM  
**To:** Jessica L. Miller <jmiller@staffordowens.com>  
**Cc:** Zeigler, Nadene <NZeigler@hodgsonruss.com>; Barbara J. Shute (bjshute@thedevelopcorp.com) <bjshute@thedevelopcorp.com>  
**Subject:** RE: Lake Forest

Hi Jessica,

Under the IDA fee structure, the cost is \$16,912.50. However, I would like to speak with you about potentially deviating from our traditional rate, based upon the project benefit to Lake Forest. If you could give me a call at (518) 565-0780, that would be great. Thanks!

Best,  
Renee

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Renee McFarlin  
Executive Director, County of Clinton Industrial Development Agency  
Director of Economic Development, Clinton County  
P: 518.565.4627