

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

Governance Committee Meeting Transcript

Held telephonically, July 15, 2020, commencing at
11:45 a.m. Adjourned at 11:56 a.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bucci: I will call the Governance Committee meeting of the LDC to order. First order of business is approving minutes from the March 18th, 2020 Board [sic] meeting. Those minutes were sent out, I believe.

Ms. Hornbeck: Yep.

Chairman Bucci: Any changes or modifications were made. I'll entertain a motion to accept the minutes for the record.

Mr. Peduto: This is Jim. So, moved.

Ms. Sacco: Cheryl. Second.

Chairman Bucci: All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Okay. Motion is carried.

Our next item on the agenda is to open the meeting to Public Comment. If there is anyone listening, or viewing us online, that would like to comment at this time, I would like them to state their name and address and the floor is theirs. Hearing none, or seeing none, I will close that section of the meeting --

And, the next item on the agenda -- New Business -- is a Resolution Authorizing the Issuance, Execution, Sale and Delivery of the Broome County Local Development Corporation's Revenue Bonds (United Health Services Hospitals, Project), Series 2020, in one or more Series and in an Aggregate Principal Amount not to Exceed \$310,000,000.00 and the Execution and Delivery of Related Documents. Stacey.

Ms. Duncan: Yes. Thank you and just a refresher on the -- you know what, I'm sorry -- I'll ask, if you are not muted -- I'm catching a little feedback -- anyone that's not muted.

Just a bit of a refresher on the project -- in March of 2020, we accepted an application through the LDC from UHS Hospital for a major construction project at their Wilson Campus. This project includes about -- the addition of about 160,000 square feet, six-story building with a new state-of-the-art Emergency Room Department, an MRI unit, a new helipad, shelf space for future growth, thirty all-private rooms, and, as well, the renovation of their existing Emergency Room. What they will do is they will keep the existing space open while the construction happens

for the new one, and then -- you know, begin the renovations on that project. This also does include some refinancing of existing debt, including the EPIC Bond issuance we did for their EPIC software -- a \$50,000,000.00 Bond issuance that we did last year -- so, they have also included in that three hundred and ten million, about a hundred and sixty million, give or take. It includes the construction project, and then there is [sic] additional monies there for refinancing of existing debt. We did plan to close this initially at our April -- or to bring this to the Board for approval in our April meeting -- but with COVID 19, they put a pause on their process, while they wanted to wait and allow the markets to rebound from some of this. They have -- we began regrouping for weekly calls about a month ago -- they are now on track to do a public offering of the bonds, roughly around late July. So, in a few weeks -- is their target goal. So far, everything has been on their timeline -- moving according to their timeline. We held our TEFRA-required IRS -- a TEFRA Hearing on July 8th. I think we just received the transcript, and I believe Carrie sent that out this morning. So, for the purposes of your action today -- is to make a

recommendation to the full Board to approve that bond issuance for UHS. And, I will note -- that Jay Smith, with UHS -- he is not their CFO, their Financial Director [System Controller] -- will be attending our meeting at 12:30 p.m., as well as Margy Blackford, who is with Ponder and Co. -- who is their financial consultant on the project. So, if there is [sic] any questions, I'll be happy to take them.

Chairman Bucci: Stacey, so, the actual new construction is approximately \$160,000,000.00, for the new construction? Am I hearing that right?

Ms. Duncan: I believe -- yeah, I believe it's -- the new construction is about \$160,000,000.00. They're -- I believe they are financing -- refinancing -- it's roughly around a hundred and ten -- you know, that amount of the three ten -- it can go under that amount, but they can't exceed that amount. So, that was the number that they'd come to, to provide for their total project cost, including the financing and construction project.

Chairman Bucci: Okay. So, they are refinancing some -- no -- I'm just trying to get my

arms around the size of the new project -- which in itself, is still significant, obviously.

Ms. Duncan: Right. For sure.

Chairman Bucci: And -- you know -- obviously, it will enhance greatly, their presence and obviously, what they can do in the region -- and hopefully -- you know -- a large part of that money will be spent, as much as possible -- as, we all hope -- \$160,000,000.00 being invested in this community in different ways, would be a real shot in the arm. Obviously, I know there is competitive bidding and things like that, but hopefully -- you know -- we will see a significant amount of that actually -- you know -- stay local, which would be great -- you know -- so. . .

Ms. Duncan: Yeah.

Chairman Bucci: . . . obviously, it is a great project. Any other questions or comments for Stacey?

Ms. Sacco: So, this is -- this equates to - - this is the Public Hearing that we had last week -- that we got the transcript on?

Ms. Duncan: Um hum.

Ms. Sacco: Correct? So, we have the
Transcript to review.

Ms. Duncan: Yes.

Ms. Sacco: And, I do see in here that the -
- that the county executive's authorities, or
approval, is necessary about some interests? So, this
is a complex attempt to make it tax-excluded from
gross income or federal income tax purposes. Can you
explain that -- that portion of that? I don't know if
Joe can. Joe was the one talking at the Public
Hearing.

Ms. Duncan: About the county's approval?

Ms. Sacco: Yeah.

Ms. Duncan: The county executive's
approval?

Ms. Sacco: Yeah. What's the point . . .
what's the role of that? What's happening?

Attorney Meagher: Well, it's an absolute
requirement of the IRS Code 147F -- is that the chief
elected officer of the county in which the project is

located, consent to it -- and, we've never had a problem with that. I can't imagine we would in this case, but we have a form that we present to -- I guess I haven't yet -- to Jason, but . . .

Ms. Duncan: And, I've spoken to Jason about this, so, yeah, I'll reach out to him, after today.

Attorney Meagher: Cheryl, it's just no more than a statutory requirement and, again, yeah, if the county executive refused to, that would stop this project right in its tracks, but . . .

Ms. Sacco: Okay. That's good to know. Thanks.

Attorney Meagher: Yep.

Chairman Bucci: So, the formal consent doesn't occur until after we approve it, then?

Ms. Duncan: Right.

Chairman Bucci: In other words, he can't consent, prior to our approval.

Ms. Duncan: Prior to -- correct -- and, the Village of Johnson City did -- they approved the -- well, they provided a negative declaration on SEQ, so

the project has satisfied requirements with regard to SEQR, which is also a requirement prior to our Board, for approvals, as well. That happened on April 6th -- that was -- so, we did -- we were able to fast-track some of those approvals when we had initially anticipated bringing this to the Board in April -- at our April meeting -- but with COVID, we put the brakes -- everybody put the brakes on things, and actually, I'm happy -- I didn't think it would necessarily regroup as quickly as it did, but they're ready to go on the public offering, in the next few weeks.

Chairman Bucci: Do they have an anticipated -- if everything goes smoothly -- when they'd like to start construction? [Inaudible.]

Ms. Duncan: 2021 -- you know, I think spring -- early 2021 was what they were looking at.

Chairman Bucci: Okay. Any other questions for Stacey or comments? Additional discussion? Okay, seeing none, I will entertain a motion.

Mr. Peduto: This is Jim. So, moved.

Ms. Sacco: Cheryl, second.

Chairman Bucci: Cheryl, second. All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Any opposed? Motion is carried.

That's all the business we have the LDC Governance Committee Meeting. I will entertain a motion to adjourn.

Ms. Sacco: Motion.

Mr. Peduto: Second.

Chairman Bucci: All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Okay. We are adjourned.

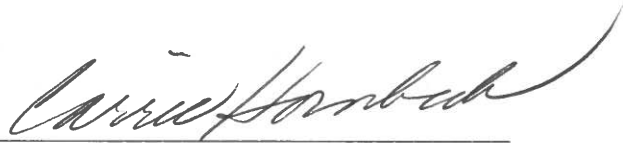
Meeting adjourned [at 11:56 a.m.].

[Attendees: Rich Bucci, Cheryl Sacco, Jim Peduto, Dan Crocker, Wayne Howard, Joe Meagher, Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Brendan O'Bryan, Theresa Ryan, Amy Williamson and Kevin Wu.]

STATE OF NEW YORK :

COUNTY OF BROOME :

I, CARRIE HORNBECK, Executive Assistant,
do certify that the foregoing is a true and accurate
transcript of the Broome County Local Development
Corporation Governance Committee Meeting, held
telephonically, on July 15, 2020.



CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

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