

A regular meeting of the Broome County Industrial Development Agency (the "Agency") was convened in public session at the Broome County Office Building, 44 Hawley Street in the City of Binghamton, Broome County, New York on Friday, March 9, 2007 at 12:00 o'clock p.m. (noon), local time.

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

PRESENT:

Peter N. Hankin	Vice Chairman
Vincent A. Pasquale	Member
James G. Rounds, Jr.	Member
Stephen D. Herz	Member
Eugene Burns	Member
William J. Tastle	Member

ABSENT:

George Akel, Jr.	Chairman
Hon. Barbara J. Fiala	Member
Kevin I. McLaughlin	Member

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Richard D'Attilio	Executive Director
Joseph B. Meagher, Esq.	Agency Counsel

The following resolution was offered by Mr. Tastle, seconded by Mr. Pasquale, to wit:

PRELIMINARY RESOLUTION OF THE BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF TAX-EXEMPT INDUSTRIAL DEVELOPMENT REVENUE BONDS IN AN AMOUNT SUFFICIENT TO FINANCE CERTAIN COSTS OF THE ACQUISITION AND INSTALLATION OF EQUIPMENT, APPOINTING GOOD SHEPHERD VILLAGE, INC. AS AGENT OF THE ISSUER FOR THE PURPOSE OF ACQUIRING AND INSTALLING THE EQUIPMENT, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT, AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE EQUIPMENT

WHEREAS, Good Shepherd Village at Endwell, Inc. (the "Corporation"), a duly organized and validly existing New York not-for-profit corporation that has an application pending with the Internal Revenue Service to be recognized as an organization described in Section 501(c)(3) of the Code and exempt from federal income taxation pursuant to Section 501(a) of the Code, has requested that the Agency issue its Continuing Care Retirement Community Revenue Bonds (the "Bonds") under Section 145 of the Code, in an aggregate

principal amount presently estimated to be approximately \$61,240,000, but not to exceed \$70,000,000, to finance the costs of the acquisition, construction and equipping of a Fee-For-Service Continuing Care Retirement Community to be located on approximately 120 acres at the northeast corner of the intersection of Farm-to-Market Road and Sally Piper Road, Endwell, Town of Union, Broome County New York, consisting of 150 independent residential housing units comprised of 70 cottages and 80 apartments, a Health Center comprised of a 32-unit Adult Care Facility including 16 enhanced assisted living suites and 16 special needs assisted living rooms for the memory-impaired, a 32-bed Residential Health Care Facility (skilled nursing) and a Village Center, which will include dining rooms and a café, a library, activity areas, an auditorium, a country store, a barber/beauty shop, administrative offices, resident lounges, other public gathering areas and a wellness center containing an indoor heated swimming pool, spa and fitness center (collectively, the "Facility"). The Facility will be initially owned, operated and/or managed by the Corporation; and

WHEREAS, the Facility will be leased or subleased (with the option to purchase) or sold to the Corporation or such other person as may be designated by the Corporation and agreed upon by the Issuer, pursuant to Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as may be amended from time to time (collectively, the "Act"); and

WHEREAS, the Act authorizes and empowers the Issuer to issue its bonds to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, in addition to the issuance of the Bonds, the Issuer contemplates that it will provide financial assistance to the Corporation in connection with the acquisition and installation of the Facility, consistent with the policies of the Issuer, in the form of exemptions from mortgage recording taxes, if a mortgage is required, and exemptions from sales and use taxes, consistent with the policies of the Issuer, to be more particularly described in a Bond Resolution to be adopted by the Issuer prior to the issuance of the Bonds; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the tax-exempt Bonds, if tax-exempt Bonds are issued, will not be excluded from gross income for federal income tax purposes unless the issuance of the Bonds is approved by the "applicable elected representative" of the County of Broome, New York, after a public hearing has been held regarding the Equipment and the issuance of the Bonds; and

WHEREAS, prior to the issuance of the Bonds and the granting of any tax benefits, public notice of the hearing will be given as required by law, a copy of which (together with proof of publication) will be annexed hereto as Exhibit A, and such notice will comply with all requirements of the Code; and

WHEREAS, a public hearing will be held to hear all persons interested in the issuance of the Bonds, and the granting of any tax benefits and the location and nature of the Equipment, and any other financial assistance contemplated, the minutes of which will be annexed as Exhibit B; and

WHEREAS, the Corporation reasonably expects that it will pay or incur certain capital expenditures in connection with the Equipment prior to the issuance of the Bonds; and

WHEREAS, the Corporation will use funds from sources other than Bond Proceeds which are or will be available on a short-term basis to pay for preliminary expenditures and the acquisition and installation of the Equipment; and

WHEREAS, the Corporation reasonably expects that it will reimburse itself for the use of such funds with proceeds of indebtedness to be issued by the Issuer to finance the costs of the acquisition and installation of the Equipment; and

WHEREAS, the Act authorizes and empowers the Issuer to issue its Bonds to promote, develop, encourage and assist projects such as the Equipment and to advance the job opportunities, health, general prosperity and economic welfare of the people of the County of Broome, New York; and

WHEREAS, the Corporation is obtaining and compiling additional information necessary for the Issuer to comply with the provisions of SEQR, and the Corporation will submit such information in form satisfactory to the Issuer as soon as it is available; and

WHEREAS, as of the date of this resolution, no determination for the Project has been made under SEQR.

NOW, THEREFORE, BE IT RESOLVED by the Broome County Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. At such time as the Corporation submits to the Issuer all necessary information for the Issuer to comply with SEQR, the Issuer will undertake to review such information. Notice of this determination shall be filed to the extent required by the applicable regulations under that Act or as may be deemed advisable by the Chairman or Executive Director of the Issuer or counsel to the Issuer.

Section 2. (a) The acquisition and installation of the Equipment and the financing thereof by the Issuer, through the issuance of the Bonds pursuant to the Act, and the provision of other financial assistance in connection therewith pursuant to the Act, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County of Broome and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act and the same is, therefore, approved;

(b) It is desirable and in the public interest for the Issuer to issue the Bonds for the purpose of financing the costs of the acquisition and installation of the Equipment, together with necessary incidental expenses in connection therewith as reflected in the Corporation's application to the Issuer and as amended from time to time prior to the issuance of the Bonds. The currently estimated aggregate principal amount of the Bonds to be issued is approximately \$3,500,000, but not to exceed \$4,000,000.

Section 3. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and between the Issuer and the Corporation

setting forth the undertakings of the Issuer and the Corporation with respect to the issuance of the Bonds and the acquisition and installation of the Equipment (the "Agreement") are hereby approved. The Executive Director of the Issuer is hereby authorized, on behalf of the Issuer, to execute and deliver the Agreement, with such changes in terms and form as the Executive Director shall approve. The execution thereof by the Executive Director shall constitute conclusive evidence of such approval.

Section 4. Subject to the conditions set forth in Section 4.02 of the Agreement and approval of the issuance of the Bonds by the applicable elected representative of the County of Broome, and the compliance with any other applicable provisions of the Code, the Issuer shall (i) issue the Bonds in an amount and with maturities, an interest rate, redemption terms and other terms and provisions to be determined by a further resolution of the Issuer, (ii) acquire and install the Equipment, (iii) lease or sublease (with an option to purchase) or sell the Equipment to the Corporation pursuant to an agreement by and between the Issuer and the Corporation whereby the Corporation will be obligated, among other things, to make payments to or for the account of the Issuer in amounts and at times so that such payments will be adequate to pay the principal of, premium, if any, and interest on the Bonds, and (iv) secure the Bonds in such manner as the Issuer, the Corporation and the purchaser(s) (the "Purchaser") of the Bonds mutually deem appropriate. If the proceeds of the sale of the Bonds are insufficient to finance completion of the acquisition and installation of the Equipment, the Issuer will, subject to the terms of the Agreement, and upon the request of the Corporation, take such actions and execute such documents as may be necessary to effect the issuance from time to time of additional obligations, whether on a parity with the Bonds or otherwise, for the purpose of paying the costs of completing the acquisition and installation of the Equipment.

Section 5. The Corporation is herewith and hereby appointed the agent of Issuer to acquire and install the Equipment. The Corporation is hereby empowered to delegate its status as agent of the Issuer to agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Corporation may choose in order to acquire and install the Equipment. The terms and conditions for the appointment of the Corporation as agent of the Agency for the purposes described in this Section 5 are set forth in the form of the attached letter addressed to the Corporation, marked as Exhibit C to this resolution, which is incorporated herein by reference. The Issuer hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Corporation as agents of the Issuer solely for purposes of making sales or leases of goods, services and supplies with respect to the Equipment, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Corporation, as agent of the Issuer shall be deemed to be on behalf of the Issuer and for the benefit of the Equipment. The Corporation shall indemnify the Issuer with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Corporation, as agent of the Issuer.

Section 6. The Corporation is hereby authorized to undertake the financing of the acquisition and installation of the Equipment with the Bonds.

Section 7. To the extent the Corporation has paid or incurred, or will pay or incur, preliminary expenditures or hard costs in connection with the acquisition and installation of the

Equipment with current funds, it reasonably expects to reimburse itself with proceeds from the Bonds.

Section 8. The law firm of Nixon Peabody LLP is hereby appointed Bond Counsel to the Issuer with respect to all matters in connection with the issuance of the Bonds. Bond Counsel for the Agency is hereby authorized, at the expense of the Corporation, to work with counsel to the Agency, the Corporation, counsel to the Corporation and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 9. Counsel to the Issuer and Bond Counsel are hereby authorized to work with counsel to the Corporation and others to prepare, for submission to the Issuer, all documents necessary to effect the authorization, issuance and sale of the Bonds.

Section 10. The Executive Director of the Issuer is hereby authorized and directed (i) to distribute copies of this resolution to the Corporation, (ii) to request the County of Broome to approve the issuance of the Bonds, and (iii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 11. This resolution shall take effect immediately.

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

I, the undersigned Assistant Secretary/Treasurer of the Broome County Industrial Development Agency, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Broome County Industrial Development Agency (the "Issuer"), with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of such resolution and of the proceedings of the Issuer in connection with such matter.

Such resolution was passed at a meeting of the Issuer duly convened in public session on March 9, 2007 at 12:00 p.m., local time, at the Broome County Office building, 44 Hawley Street, Binghamton, New York, at which the following members were:

Present:	Peter N. Hankin	Member
	Vincent A. Pasquale	Member
	James G. Rounds, Jr.	Member
	Stephen D. Herz	Member
	Eugene Burns	Member
	William J. Tastle, Ph.D	Member
Absent:	George Akel, Jr.	Chairman
	Hon. Barbara J. Fiala	Member
	Kevin I. McLaughlin	Member
Also Present:	Richard D'Attilio	Executive Director
	Joseph B. Meagher, Esq.	Agency Counsel

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

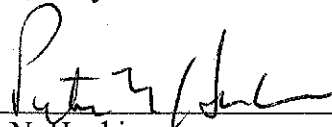
Peter N. Hankin	yes
Vincent A. Pasquale	yes
James G. Rounds, Jr.	yes
Stephen D. Herz	yes
Eugene Burns	yes
William J. Tastle, Ph.D	yes

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Issuer had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9<sup>th</sup> day of March, 2007.

  
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Peter N. Hankin  
Vice Chairman

## EXHIBIT A

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**NOTICE OF PUBLIC HEARING**

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NOTICE IS HEREBY GIVEN that a public hearing, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Article 18-A of the New York State General Municipal Law, will be held by the Broome County Industrial Development Agency (the "Agency") on the 7<sup>th</sup> day of May, 2007 at 12:00 p.m., noon, local time, at the Town Hall, 3111 East Main Street, Endwell, Town of Union, Broome County, New York 13760 in connection with the following matters:

Good Shepherd Village at Endwell, Inc. (the "Corporation"), a duly organized and validly existing New York not-for-profit corporation that has an application pending with the Internal Revenue Service to be recognized as an organization described in Section 501(c)(3) of the Code and exempt from federal income taxation pursuant to Section 501(a) of the Code, has requested that the Agency issue its Continuing Care Retirement Community Revenue Bonds (the "Bonds") under Section 145 of the Code, in an aggregate principal amount presently estimated to be approximately \$61,240,000, but not to exceed \$70,000,000, to finance the costs of the acquisition, construction and equipping of a Fee-For-Service Continuing Care Retirement Community to be located on approximately 120 acres at the northeast corner of the intersection of Farm-to-Market Road and Sally Piper Road, Endwell, Town of Union, Broome County New York, consisting of 150 independent residential housing units comprised of 70 cottages and 80 apartments, a Health Center comprised of a 32-unit Adult Care Facility including 16 enhanced assisted living suites and 16 special needs assisted living rooms for the memory-impaired, a 32-bed Residential Health Care Facility (skilled nursing) and a Village Center, which will include dining rooms and a café, a library, activity areas, an auditorium, a country store, a barber/beauty shop, administrative offices, resident lounges, other public gathering areas and a wellness center containing an indoor heated swimming pool, spa and fitness center (collectively, the "Facility"). The Facility will be initially owned, operated and/or managed by the Corporation.

The Bonds will be a special obligation of the Agency payable solely out of the proceeds from the sale or lease of the Facility to the Corporation and from other amounts payable to the Agency and certain other assets of the Agency pledged to the repayment of the Bonds. The Bonds shall not be a debt of the State of New York or any political subdivision thereof, including Broome County, and neither the State of New York nor any political subdivision thereof, including Broome County, shall be liable thereon.

In addition to the issuance of the Bonds, the Agency also contemplates that it will provide financial assistance to the Corporation in connection with the Facility in the form of exemptions from mortgage recording taxes and sales taxes and the abatement of real property taxes consistent with the policies of the Agency.

A copy of the Corporation's application to the Agency will be available for review, during regular business hours, at the Agency's offices at the Broome County Office Building, 44 Hawley Street, Binghamton, New York 13901.



A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed issuance of the Bonds, the granting of other financial assistance contemplated by the Agency or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Corporation with the Agency, and an analysis of the costs and benefits of the proposed Facility.

Minutes of the hearing will be made available to the County Executive of the County of Broome. Approval of the issuance of the Bonds by the County of Broome, through the County Executive, is necessary in order for the interest on the Bonds to be excluded from gross income for federal income tax purposes.

BROOME COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

Dated: March 30, 2007

By: 

Richard D'Attilio, Executive Director

**CERTIFICATE OF APPOINTMENT**  
**AS A MEMBER OF**  
**THE BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**FOR FILING WITH THE**  
**SECRETARY OF STATE**

**This is to certify that**

**Peter N. Hankin**

**Of**

**174 Brown Road**  
**Vestal, New York 13850**

**has been appointed as a**

**MEMBER**

**of the Broome County Industrial Development Agency**  
**which has been duly established by Chapter 564**  
**of the law of 1970,**

**The Legislature of the**  
**County of Broome County**

**By:**



**Eric S. Denk, Clerk**  
**June 22, 2007**

**Local Appointment Authorization:**

**Current Broome County Appointment By: Resolution 07-56**  
**Current Term Expires: December 31, 2008**