

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

Governance Committee Meeting Transcript

Held telephonically, October 20, 2021, commencing at
11:29 a.m. Adjourned at 11:38 a.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bucci: Good morning. We'll call the Governance Committee meeting for the Local Development Corporation to order.

First item on the agenda is accepting the September 15th, 2021 Governance Committee meeting minutes. Those were sent out to all members, any members having any modifications or revisions were forwarded back to Carrie. So, we will accept the meetings -- the minutes for the record.

Next item on the agenda is Public Comment. Anyone wishing to address the Governance Committee meeting has five minutes. We just ask that you state your name and address, and the floor is yours. Is there anyone at this time who would like to address the Governance Committee meeting? Hearing none, I'll close that portion of the meeting and move on to our first agenda item.

A Review, Discussion, Recommendation to Authorize the Issuance, Execution, Sale and Delivery of the Broome County Local Development Corporation ("The Issuer") Tax Exempt Revenue, Refunding Bonds Series 2021 for Good Shepherd Village at Endwell, Incorporated Project in an Aggregate Principal Amount Not to Exceed \$55,000,500.00.

Ms. Duncan: John Solak.

Ms. Abbadessa: John, is that you?

Mr. Solak: Yes.

Ms. Abbadessa: An echo.

Ms. Duncan: John, you have quite an echo.

I think he was trying to do. . .

Chairman Bucci: Was he trying to get in?

Ms. Duncan: . . .Public Comment. Were you
Trying to get into Public Comment?

Mr. Solak: Yes. Can you hear me?

Chairman Bucci: Yes. We were just reading
the resolution. You would like to address the
committee?

Mr. Solak: If that's all right with you.

Chairman Bucci: Yeah, go ahead.

Mr. Solak: Okay. Thanks. Project is
Problematic, I think when you get into refinancing a
refinance. I'm concerned about the salary -- has went
from 308 to 509, something like that -- 370 to 509.
One of the highest paid institutional CEO's in our
area -- 230 beds -- people in there, seems excessive.
It seems like unjust enrichment to me, on the salary.
The concern of 28 million dollars of liabilities --
part of the capital structure -- 28 million of new

money has to come in to pay the old money back. I know it's legal. I know the state set-up this as the first one of its kind -- but it is concerning. I note that the food and beverage -- and some of the nursing services -- are subcontracted to out-of-town companies. So, their goal is the local angle of it. But deficits before COVID, the two years before COVID -- 12 million, 13 million -- I don't see this as a continuing, viable operation, and I'm troubled by it -- troubled by the salary. I'm troubled by the gimmick accounting, which calls for new entrance to pay off the old entrance, and the fact that they didn't seem to make any progress in the last five years as far as paying down any debt. So, with that, I thank you.

Chairman Bucci: Thank you. Since I did open the Public Comment section, I will again ask, is there anyone else who would like to address the committee at this time? Hearing none, we'll close the Public Comment section. We did read the resolution. So, I'll turn it over to Stacey.

Ms. Duncan: Okay. Thank you, Chairman. So, the action today by the LDC Board would be to move forward with the approval of the LDC's role in Bond Issuance, Tax Exempt Revenue, Refunding Bonds, Series

2021, as was noted for the Good Shepherd Village at Endwell project, totaling \$55,550,000.00.

Approximately \$39,000,100.00 of this would relate to borrowing -- excuse me -- the refinancing of existing debt and approximately \$16,450,000.00 would go to borrowing additional funds for renovations. The building is somewhere between ten -- or the facility I should say -- ten and twelve years old and most of the improvements will be capital improvements, and as well, as you can imagine, much-needed technology improvements. We have had a refinance on the books with us since 2015. They have been an excellent -- excellent in the payment to us on the fee that we collect. We've had no issues with the borrower. Just a reminder, we are the issuer of the conduit debt. We are not held harmless for anything related to the project -- should there be some inability to pay. Harris Beach -- Chris Andreucci -- is on the line. He is serving as Bond counsel for us, as he typically does with these transactions. Harris Beach is doing all of their due diligence on the tax side, as well as all the requisite financing agencies and rating agencies are doing their due diligence. It was noted at the Public -- TEFRA Hearing -- Mike Keenan, CEO of

Good Shepherd Communities expects that their current -
- noted their occupancy is roughly, somewhere between
90 and 94 percent occupancy. It did dip during COVID
to about 89 percent, but has climbed back up. As
well, they expect to get somewhere between -- I think
he noted a Triple B Plus Bond Rating. They have a
good history with doing these types of transactions,
and staff would recommend that we move this forward
for them. I don't know if Chris Andreucci -- if there
was anything. . .

Ms. Abbadessa: He dropped off.

Ms. Duncan: Oh, he dropped off. Okay. But
if the Board has any questions, or the committee --
I'd be happy to answer.

Chairman Bucci: Any questions or comments
for -- at this point in time?

Mr. Rose: I mean, just for the sake of
understanding the -- sort of, the value of the
transaction to us as an LDC, right - so, where bond
conduit -- we have no exposure with respect to any
failure to pay, should that ever occur, we realize
that there's a fee that we benefit from and those
dollars that we collect for the fee are available for

work that we may choose to do in supporting economic development in the community to the LDC.

Ms. Duncan: Absolutely, yeah, that's exactly correct.

Chairman Bucci: Any other comments or questions at this time? Okay, I'll entertain a motion.

Mr. Peduto: Jim.

Chairman Bucci: Jim, a motion by Jim. Is there a second?

Mr. Rose: Second.

Chairman Bucci: Second by Brian. All in favor?

Unknown: [Aye -- in unison.]

Chairman Bucci: Any opposed, or abstentions?

Ms. Sacco: Abstain.

Chairman Bucci: The motion is carried. Sorry.

Ms. Sacco: Abstain.

Chairman Bucci: Cheryl, did you abstain?

Ms. Sacco: Yes.

Chairman Bucci: Abstention. Motion is carried. Motion to adjourn?

Mr. Rose: So, moved.

Chairman Bucci: Second?

Mr. Gates: Second.

Chairman Bucci: All in favor?

Unknown: [Aye -- in unison.]

Chairman Bucci: Okay. Meeting is
adjourned.

[Meeting adjourned on a motion by Mr. Rose, seconded
by Mr. Gates at 11:38 a.m.]

[Attendees: Rich Bucci, Jim Peduto, Brian Rose,
Cheryl Sacco, Dan Gates, Joe Meagher, Stacey Duncan,
Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa
Ryan, Brendan O'Bryan, Amy Williamson, Joe Meagher,
Mike Keenan, Michael Tanzini, John Solak.]

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 October 20, 2021.

Carrie Hornbeck / signed electronically

CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

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