

BOND RESOLUTION

(The William George Agency for Children's Services, Inc. Project)

SUMMARY OF RESOLUTION: BY THIS RESOLUTION, THE TOMPKINS COUNTY DEVELOPMENT CORPORATION (THE "ISSUER") APPROVES THE ISSUANCE OF ITS TAX-EXEMPT REVENUE BONDS FOR THE BENEFIT OF THE WILLIAM GEORGE AGENCY FOR CHILDREN'S SERVICES, INC. IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,000,000 AND THE EXECUTION AND DELIVERY OF ALL DOCUMENTS AND INSTRUMENTS IN CONNECTION THEREWITH

A regular meeting of the Tompkins County Development Corporation (the "Issuer") was convened in public session on the 8th day January, 2015, at 4:00 p.m. (local time).

PRESENT: James P. Donnis
Svante Myrick
Martha Robertson
Grace Chiang
Will Burbank

ABSENT: Larry Baum
Nathan Shinagawa

ALSO PRESENT:

After the meeting had been duly called to order, it was announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the issuance and sale of the Issuer's proposed Tompkins County Development Corporation Tax-Exempt Revenue Bond (The William George Agency for Children's Services, Inc. Project), Series 2015 in an aggregate principal amount not to exceed \$2,000,000.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
James Dennis Sante Myrick Martha Robertson Grace Chang Will Burbank		Larry Baum Nathan Shingauer

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF THE ISSUER'S TAX-EXEMPT REVENUE BOND (THE WILLIAM GEORGE AGENCY FOR CHILDREN'S SERVICES, INC. PROJECT), SERIES 2015, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,000,000 AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS.

WHEREAS, by Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), as amended (hereinafter collectively called the "Act"), the Tompkins County Development Corporation (the "Issuer") was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, the Act authorizes the Issuer to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds so issued and any agreements made in connection therewith, to pledge the revenues and receipts from the lease or sale thereof to secure the payment of such bonds and interest thereon; and

WHEREAS, **THE WILLIAM GEORGE AGENCY FOR CHILDREN'S SERVICES, INC.**, a New York not-for-profit corporation (the "Company") has submitted an application (the "Application") to the Issuer requesting that the Issuer issue its Tax-Exempt Revenue Bond (The William George Agency for Children's Services, Inc. Project), Series 2015 in a principal amount not to exceed \$2,000,000 (the "Bond" or the "Bonds") for the purpose of financing a certain project (the "Project") consisting of: (A) the financing, refinancing and/or reimbursing the costs of certain improvements located on the Company's campus, situated at 380 Freeville Road, Freeville, New York (the "Campus"), consisting of (i) the renovation and equipping of the approximately 19,242 square-foot dining hall known as The Ewald Dining Hall, including the updating of the mechanical and electrical systems and related improvements and upgrades (the "Improvements") and (ii) the acquisition of and installation in and around the Improvements of certain machinery, equipment and other items of tangible personal property (the "Equipment", and together with the Campus and the Improvements, the "Facility"); and (B) the paying of all or a portion of the costs incidental to the issuance of the Bonds, including capitalized interest and any reserve funds as may be necessary to secure the Bonds (the costs associated with items (A) through (B) above being hereinafter collectively referred to as the "Project Costs"); and

WHEREAS, the Issuer is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of the issuance of the Bond in an amount not to exceed the lesser of the Project Costs or \$2,000,000 and an exemption from the New York State mortgage recording tax; and

WHEREAS, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), a public hearing on the issuance of the Bond and the nature of the Project was duly held on October 16, 2014 after publication in a paper of general circulation of a notice of such hearing; and

WHEREAS, on November 6, 2014, the Tompkins County Legislature approved the issuance of the Bond in accordance with Section 147(f) of the Code; and

WHEREAS, the Bond is being issued and sold by the Issuer to Tompkins Trust Company (the "Bank") pursuant to a certain Bond Purchase Agreement, Loan Agreement and Building Loan Contract (the "Bond Purchase Agreement"), dated as of January 1, 2015 (or other appropriate date), by and among the Issuer, the Company and the Bank; and

WHEREAS, as security for the Bond, (i) the Company will grant to the Bank and the Issuer a first priority mortgage lien on and security interest in the Facility pursuant to a certain Mortgage and Security Agreement, dated as of January 1, 2015, from the Company to the Bank

and the Issuer (the "Mortgage") and (ii) the Issuer will assign all of its rights and interest in and to the Mortgage to the Bank pursuant to a certain Assignment of Mortgage, dated as of January 1, 2015, from the Issuer to the Bank (the "Assignment of Mortgage"); and

WHEREAS, the Company reasonably expects that it will (i) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Bond, (ii) use funds from sources other than proceeds from the Bond which are or will be available on a short-term basis to pay for such capital expenditures, and (iii) reimburse itself for the use of such funds with proceeds of the Bond; and

WHEREAS, the Project constitutes a "Type II" action under Article 8 of the Environmental Conservation Law and the regulations adopted thereto at 6 N.Y.C.R.R. §617 (hereinafter collectively referred to as "SEQR") and therefore no further action is required under SEQR.

NOW, THEREFORE, BE IT RESOLVED by the Tompkins County Development Corporation as follows:

Section 1. The Issuer hereby finds and determines:

(a) By virtue of the Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Project will promote and maintain permanent private sector jobs, health, general prosperity and economic welfare of the citizens of the State of New York and improve their standard of living and will increase the overall number of permanent private sector jobs in the State and thereby serve the public purposes of the Act; and

(c) The Project and the operations conducted therein will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York, or Tompkins County; and

(d) It is desirable and in the public interest for the Issuer to issue and sell its Bond or Bond to be dated the date of its issuance and sale, upon the terms and conditions set forth in the Bond Purchase Agreement for the purpose of assisting in financing the Project; and

(e) The public hearing held by the Issuer on October 16, 2014, concerning the issuance of the Bond and the nature of the Project was duly held in accordance with the requirements of the Code and the laws of the State of New York, including but not limited to the giving of public notice of the hearing a reasonable time before the hearing and affording a reasonable opportunity for persons with differing views on both the issuance of the Bond and the nature of the Project to be heard.

(f) All documents to be executed by the Issuer are reasonably necessary to provide the security described herein for the Bond.

Section 2. In consequence of the foregoing, the Issuer hereby determines to: (i) issue the Bond pursuant to the terms of the Bond Purchase Agreement and make the proceeds available to the Company to pay Project Costs, (ii) execute a certain Tax Compliance Agreement, dated as of the date of issuance and delivery of the Bond (the "Tax Compliance Agreement"), pursuant to which the Issuer and the Company make certain covenants to ensure the continued tax-exempt status of the Bond, (iii) execute an Internal Revenue Service Form 8038 (the "Information Return") in connection with the issuance of the Bond, (iv) take a mortgage lien on the Facility pursuant to the Mortgage and assign such lien to the Bank pursuant to the Assignment of Mortgage and (v) execute related documents, instruments and certificates.

Section 3. The form and substance of the Bond (in substantially the form presented to this meeting) are hereby approved, and the Secretary is hereby directed to include a copy of the form of the Bond submitted to this meeting with the records of the Issuer.

Section 4. The form and substance of the Bond Purchase Agreement (in substantially the form presented to this meeting or in such form as is approved by Counsel to the Issuer and Bond Counsel) are hereby approved, and the Secretary is hereby directed to include a copy of the form of Bond Purchase Agreement submitted to this meeting with the records of the Issuer.

Section 5. The form and substance of the Tax Compliance Agreement (in substantially the form presented to this meeting) are hereby approved, and the Secretary is hereby directed to include copies of the Tax Compliance Agreement submitted to this meeting with the records of the Issuer.

Section 6. The form and substance of the Mortgage and Assignment of Mortgage (in substantially the forms presented to this meeting) are hereby approved, and the Secretary is hereby directed to include copies of the Mortgage and Assignment of Mortgage submitted to this meeting with the records of the Issuer.

Section 7. The Issuer hereby determines to execute the Information Return in substantially the form hereinafter approved by the Chair, Vice Chair or Administrative Director in accordance with Section 10(a) hereof and to file the same with the Internal Revenue Service.

Section 8. The Issuer is hereby authorized to issue, execute, sell and deliver to the Bank the Bond in the aggregate principal amount not to exceed \$2,000,000 in the form heretofore approved in Section 3 of this resolution, pursuant to the Act and in accordance with the Bond Purchase Agreement; provided that:

(a) The Bond authorized to be issued, executed, sold and delivered pursuant to this Section (i) shall be issued, executed and delivered at such time as the Chair, Vice Chair or Administrative Director of the Issuer shall determine, (ii) shall be in such principal amount (not to exceed \$2,000,000) as is hereinafter approved by the Chair, Vice Chair or Administrative

Director of the Issuer in accordance with Section 10 hereof, (iii) shall bear interest at such rates as are set forth in the Bond and the Bond Purchase Agreement or as are hereinafter approved by the Chair, Vice Chair or Administrative Director of the Issuer in accordance with Section 3 and Section 4 hereof, and (iv) shall be subject to prepayment prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are set forth in the Bond and the Bond Purchase Agreement, all of which provisions are specifically incorporated herein with the same force and effect as if fully set forth in this resolution.

(b) The Bond shall be issued solely for the purpose of providing funds to finance the Project Costs, the administrative, legal, financial, and other expenses of the Issuer in connection with the Project and incidental to the issuance of the Bond, as such costs are more specifically set forth in the Bond Purchase Agreement.

(c) The Bond and the interest thereon is not and shall never be a debt of the State of New York or Tompkins County, New York, and neither the State of New York nor Tompkins County, New York shall be liable thereon.

(d) The Bond, together with interest payable thereon, shall be a special obligation of the Issuer payable solely from the revenues and receipts derived from the Bond, the Bond Purchase Agreement and related documents.

Section 9. Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Bond or of any other funds which, if such use had been reasonably expected on the date of issue of the Bond, or otherwise, would cause the Bond to be "arbitrage Bond" within the meaning of Section 148 of the Code.

Section 10. (a) The Chair, Vice Chair or Administrative Director of the Issuer or any other member of the Issuer is hereby authorized, on behalf of the Issuer, to execute and deliver the Bond, the Bond Purchase Agreement, the Mortgage, the Assignment of Mortgage, the Tax Compliance Agreement, and the other documents called for or provided in the Bond Purchase Agreement, to which the Issuer is a party and related documents (hereinafter collectively called the "Bond Documents") and Information Return, and, where appropriate, the Secretary or Assistant Secretary of the Issuer is hereby authorized (but not required) to affix the seal of the Issuer thereto and to attest the same, all in substantially the forms thereof presented to this meeting or at any time hereafter with such changes, variations, omissions and insertions as the Chair, Vice Chair or Administrative Director or any member of the Issuer shall, in their absolute discretion, approve. The execution thereof by the Chair, Vice Chair or Administrative Director or such member shall constitute conclusive evidence of such approval. All preliminary actions of the Issuer prior to the date hereof with respect to the Project are hereby confirmed and ratified.

(b) The Chair, Vice Chair or Administrative Director of the Issuer is hereby further authorized and directed, on behalf of the Issuer, to approve, without further action of the Issuer, any variations in the terms of the Bond from those set forth in the form of the Bond submitted to this meeting including, without limitation, the aggregate principal amount of the Bond (not in excess of the maximum aggregate principal amount approved in this Resolution), the interest

rates, maturities, redemption premiums, optional redemption dates and sinking fund redemption dates and amounts. The execution and delivery of the Bond Purchase Agreement by the Chair, Vice Chair or Administrative Director shall constitute conclusive evidence of such approval.

(c) The Chair, Vice Chair or Administrative Director or any such member is further hereby authorized, on behalf of the Issuer, to designate any additional Authorized Representatives of the Issuer (as defined in and pursuant to the Bond Purchase Agreement).

Section 11. The members, 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 the provisions of the Bond Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 member, 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 Bond Documents binding upon the Issuer.

Section 12. It is hereby found and determined that all formal actions of the Issuer concerning and relating to the adoption of this resolution were adopted in an open meeting of the Issuer; and that all deliberations of the Issuer and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 13. All prior resolutions or parts thereof inconsistent with this resolution are hereby repealed to the extent of such inconsistency.

Section 14. Due to the complex nature of this transaction, the Issuer hereby authorizes its Chair, Vice Chair or Administrative Director or any other Authorized Representative of the Issuer to approve, execute and deliver such further agreements, documents and certificates as the Issuer may be advised by Counsel to the Issuer or Bond Counsel to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by the execution of any such agreements, documents or certificates by the Chair, Vice Chair or Administrative Director or any other Authorized Representative of the Issuer.

Section 15. This resolution shall take effect immediately and the Bond is hereby ordered to be issued in accordance with this resolution.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF TOMPKINS) ss.:

I, the undersigned Secretary of the Tompkins County Development Corporation, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Tompkins County Development Corporation (the "Issuer"), including the resolution contained therein, held on the 8th day of January, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject in matters therein referred to.

That the Bond Documents and the Bond contained in the transcript of proceedings are each in substantially the forms presented to and approved by said meeting or as duly approved hereunder.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Issuer had due notice of said meeting and that the meeting was in all respects duly held.

I FURTHER CERTIFY that 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 8th day of January, 2015.

A handwritten signature in cursive script, appearing to read 'S MK', is written over a horizontal line.