

Essex County Capital Resource Corporation
December 6, 2018
11:30 AM
Witherbee Carriage House, Schroon Lake

Present: John Boyea
Jamie Rogers
James Bowen
Matthew Courtright
James Monty

Also Present: Jody Olcott
Carol Calabrese
Sarah Brown

Absent: Gerald Morrow
Darren Darrah

Open of Meeting

The meeting was opened at 12:00PM by Vice-Chairman James Bowen.

Approval of Minutes

1. Approval of March 21, 2018 Meeting Minutes

Motion #2018-10: A motion to approve the March 21, 2018 meeting minutes was made by Jamie Rogers and seconded by James Bowen. All members were in favor.

Bond Projects

1. North Country School/Camp Treetop – Fritz Sabbow, CFO conferenced with the board. Fritz noted that Camp Treetop was built in 1922 and the North Country School was built in 1938. The proposed new project includes construction of a performance arts center which will include 180 person theater, a teaching and learning kitchen, waste treatment facility upgrades (DEC consent order) and renovations to the Hike House as well as refinancing of existing debt. The total project is \$9 million and tax-exempt bond project is anticipated to be \$7.1 million. Project has already secured Investor Bank to purchase the bonds. At the current time the school employs 27 full-time people and has 180 students.

Motion #2018-11: Resolution taking official action toward the issuance by the corporation of up to nine million united states dollars (\$us)9,000,000 tax exempt revenue bonds to finance the acquisition, construction, equipping and installation of buildings and building improvements and equipment, including fixtures, for, and to refinance outstanding indebtedness of, North Country School, a New York not-for-profit 501(c)(3) corporation, its successors and assigns WHEREAS, North Country School, a not-for-profit 501(c)(3) corporation, and its successors and assigns (the "School"), located in the Town of North Elba, County of Essex, State of New York (the "State"), has applied to the Essex County Capital Resource Corporation (the "Corporation") for financial assistance and to issue tax-exempt revenue bonds in an aggregate principal amount not to exceed \$(US)9,000,000 (the "Bonds") for the purpose of financing a project consisting of, among other things (i) the construction of an approximate 10,000 square foot performing arts center, renovation of Hansen House, renovation of a waste treatment plant, renovation of a teaching/learning kitchen, and renovation of Hike House (the "Facilities"), (ii) the acquisition and installation in the Facilities of various machinery, equipment, and furnishings, including fixtures (the "Equipment"), (iii) the refinancing of outstanding indebtedness of the School, and (iv) certain costs of issuance (hereinafter collectively referred to as the "Project"), and WHEREAS, the School is, or shall be

prior to the providing of financial assistance, if any, by the Corporation, a not-for-profit 501(c)(3) corporation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), duly organized in the State and authorized to do business in the State, and WHEREAS pursuant to the Not-for-Profit Corporation Law (in particular, Section 1411) and the Public Authorities Law of the State York (collectively, the "Act"), the Corporation is authorized and empowered to finance the acquisition, construction, reconstruction, equipping and installation of the Facilities and Equipment within Essex County, New York, and to refinance the outstanding indebtedness of the School, through the issuance of its tax-exempt revenue bonds, and WHEREAS, the members of the Corporation have approved the Application for Financial Assistance dated November 20, 2018 (the "Application") of the School and have agreed to issue the Bonds for the purpose of financing the acquisition, construction, reconstruction, equipping, installation and refinancing of the Project for the School. NOW, THEREFORE, BE IT RESOLVED by the Essex County Capital Resource Corporation as follows: The Corporation has found and determined that the Project of the School constitutes a "project" within the meaning of the Act and shall accomplish the public purposes of the Corporation as provided in the Act; and shall promote the job opportunities, health, education, general prosperity and the economic welfare of the inhabitants of Essex County and the State and improve their standard of living and will thereby serve the public purposes of the Act; and that it is desirable and in the public interest to issue up to NINE MILLION UNITED STATES DOLLARS (\$US)9,000,000) principal amount of Bonds for the purpose of financing the acquisition, construction, reconstruction, equipping, installation and refinancing of the Project, including necessary incidental expenses in connection therewith. The Corporation will (i) issue the Bonds in the principal amount of not more than NINE MILLION UNITED STATES DOLLARS (\$US)9,000,000), the particular maturity, interest rate, redemption term and other terms and provisions to be determined by further resolutions and certificated determinations of the Corporation, (ii) acquire, construct, reconstruct, equip, install and refinance the Project, or cause the Project to be acquired, constructed, reconstructed, equipped, installed or refinanced, (iii) loan the proceeds of the Bonds to the School pursuant to a loan agreement by and between the Corporation and the School (the "Agreement"), whereby the School will be obligated, among other things, to make payments to the Corporation in amounts and at times so that such payments will be adequate to pay when due the principal and premium, if any, of and interest on, the Bonds and (iv) secure the payment of the Bonds in such manner as the Corporation, the purchaser of the Bonds and the School mutually deem appropriate. The School shall hold harmless and indemnify the Corporation in the authorization and issuance of the Bonds and the performance of the Agreement and contracts related to the Project and the Bonds to which the Corporation is a party. If the proceeds from the sale of the Bonds are insufficient to finance the entire cost of acquisition, construction, reconstruction, equipping, installation and refinancing of the Project, the School shall complete and pay for the Project. Further, to the extent the School contributes proceeds of fundraising to the cost of the Project, the principal amount of Bonds the Corporation may authorize and issue shall be reduced *pro tanto*. The School is hereby appointed the true and lawful agent of the Corporation (i) to acquire, construct, reconstruct, equip, install and refinance the Project, and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Corporation and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity as the Corporation could do if acting on its own behalf. In addition, the School is hereby authorized to advance such funds as may be necessary to accomplish the purposes of the Project and, to the extent permitted by law, the Corporation agrees to reimburse the School therefor out of the proceeds of the Bonds. Squire Patton Boggs (US) LLP is hereby appointed Bond Counsel in relation to the issuance of the Bonds. Briggs Norfolk LLP is hereby appointed as general counsel to the Corporation in relation to the issuance of the Bonds.

Bond Counsel is hereby authorized to work with the School, the underwriter of the Bonds, the purchaser of the Bonds and others to prepare, for submission to the Corporation, all documents necessary to effect the authorization, issuance and sale of the Bonds. The Chairman of the Corporation is hereby authorized and directed to distribute copies of this Resolution to the School and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution. This Resolution is hereby adopted subject to the requirements of the State Environmental Quality Review Act, as amended, Article 8 of the Environmental Conservation Law of the State, and all regulations thereunder, and applicable regulations, if any, of the Adirondack Park Agency. The Corporation shall prepare and publish a notice of public hearing in compliance with Section 147(f) of the Code and shall hold such public hearing prior to the issuance of the Bonds. The Corporation must have approved the issuance of the Bonds after such public hearing on the issuance of the Bonds and the nature and location of the Project has been held by the Corporation at a regularly scheduled meeting of the Corporation. To the extent the School has not heretofore adopted a Declaration of Official Intent described herein, the Corporation intends this Resolution to be a Declaration of Official Intent of the Corporation with respect to the Bonds under U.S. Treasury Regulations Section 1.150-2 (successor to Section 1.103-18) for purposes of Sections 103 and 141 to 150, inclusive, of the Code. The Corporation is the "actual issuer" of the Bonds within the meaning of Section 1.150-2 of the U.S. Treasury Regulations. A general functional description of the property, project or program for which the School reasonably expects to reimburse all or a portion of the capital expenditures paid within 60 days prior to the date hereof or to be paid on or after the date hereof (the "Expenditures") is: the acquisition, construction, reconstruction, equipping, installation and refinancing of the Project. The maximum principal amount of debt expected to be issued for the purposes of reimbursement of the Expenditures is \$(US)9,000,000. The Corporation reasonably expects the School to reimburse the Expenditures with proceeds of debt consisting of the Bonds to be issued by the Corporation. This Declaration of Official Intent shall be reasonably available for inspection by the general public, commencing no later than 30 days after the date hereof, until the date of issue of the last Bonds issued to finance the Expenditures, during normal business hours on business days at the office of the Corporation, County Government Center, Elizabethtown, New York 12932. This Resolution incorporates by reference the information, statements, exhibits, terms and covenants contained in the Application of the School on file with the Corporation which is deemed to be a part of this Resolution. This motion was made by Jamie Rogers and seconded by John Boyea. All members were in favor.

TEFRA hearing is scheduled for December 21, 2018 at 9:00AM at the IDA office.

Adjourn

Motion #2018-12: A motion to adjourn the meeting at 12:25PM was made by James Bowen and seconded by John Boyea. All members were in favor.