

St. Lawrence County IDA Civic Development Corporation

CURRENT PROJECT: EJ NOBLE HOSPITAL

Company: EJ Noble Hospital of Gouverneur, New York

Site Address: 77 West Barney Street
Gouverneur, New York 13642

Start Date: May 12, 2010

Overview:

Edward John Noble Hospital of Gouverneur, New York (the “Hospital”), a New York not-for-profit corporation having offices at 77 West Barney Street, Gouverneur, New York 13642 has requested the issuance of civic facility revenue bonds in one or more issues or series in a maximum aggregate amount presently estimated at \$11,000,000, but not to exceed \$13,000,000 (the “Bonds”) for the purpose of financing a certain project (the “Project”) consisting of (A)(i) the acquisition of real property at 119 West Barney Street in the Village of Gouverneur, St. Lawrence County, New York, which contains an existing residential dwelling, at least 5.5 acres of which will be used for the project (the “New Parcel”); (ii) the construction of an approximately 34,000 square-foot two-story addition (the “Addition”) adjacent to the two-story Physician Office Building (the “Existing Building”) which the first floor of the Addition shall contain 30 new medical/surgical beds and 3 intensive care unit beds, nurses station, soiled and clean utility room, medicine room, general storage and break rooms, resulting in the consolidation of the medical/surgical unit to one floor, relocation of the primary waiting and admission areas, totaling approximately 16,884 square feet, and the ground floor of the Addition shall contain a secondary waiting and reception areas, an enlarged pharmacy, physical therapy and respiratory therapy totaling approximately 16,884 square feet; (iii) the renovation of the vacated portions of the first and second floors of the Existing Building by converting space on the first floor to offices for human resources, social services, utilization review/discharge planning, laboratory manager, credit and collections, laboratory, and radiology waiting area, totaling approximately 6,780 square feet and on the second floor to ambulatory surgery treatment and procedure rooms, pre and post operative areas, nursing stations, discharge area, staff on-call rooms, conference rooms and bathrooms, totaling approximately 4,890 square feet, (iv) the reconfiguration of the existing parking lot to provide for relocation of main hospital entry and admissions, additional parking spaces, and improved truck access and turning radius (the “Improvements”), in total increasing the existing 6.3 acre site currently owned by the Hospital located on 77 West Barney Street in the Village of Gouverneur, St. Lawrence County, New York (the “Original Parcel”) to approximately twelve acres with the addition of the New Parcel (collectively, the “Land”); (B) the refinancing of existing taxable indebtedness of the Hospital, the proceeds of which were used to pay the costs of various renovations and capital purchases at the Hospital’s Existing Building including (i) renovations to the emergency department, to the

obstetrics and gynecology department and a portion of the radiology department and (ii) the acquisition and installation in and around the Hospital of certain items of machinery, equipment and other tangible personal property (the “Refinanced Equipment”); (C) the acquisition and installation in and around the Addition, the Existing Building, the Refinanced Equipment and the Improvements of certain machinery, equipment and other items of tangible personal property (the “Equipment” and collectively with the Land, the Existing Building, the Addition, the Refinanced Equipment and the Improvements, the “Facility”); (D) paying certain costs and expenses incidental to the issuance of the Bonds (as hereinafter defined); and (E) funding a debt service reserve fund; (F) the funding of a capitalized interest account (the costs associated with items (A) through (F) above being hereinafter collectively referred to as the “Cost of the Facility” or “Costs of the Facility”).

The Issuer is contemplating providing financial assistance to the Hospital with respect to the Project (the “Financial Assistance”) in the form of the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$13,000,000, to finance (1) the acquisition, construction and equipping of the Facility, and (2) certain incidental costs incurred by the Issuer and the Hospital in connection therewith.

If the issuance of such Bonds is approved by the Issuer and the St. Lawrence County Legislature, (i) it is intended that interest on such Bonds will be excluded from gross income for Federal income tax purposes, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) the Bonds will be special obligations of the Issuer payable solely of certain of the proceeds of the Agreement and certain other assets of the Hospital pledged to the repayment of the Bonds. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ST. LAWRENCE COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ST. LAWRENCE COUNTY, NEW YORK, SHALL BE LIABLE THEREON.

Request: Up to \$13,000,000 Civic Facility Revenue Bonds

Employment:

- Current Employment Level: 245 FTE
- Projected: 245 FTE (by end of year 3)

Comments: A preliminary resolution for this project was passed on May 12, 2010.

A public hearing on this project is scheduled for Wednesday, June 9, 2010 at 6:00 PM at the Education Center at EJ Noble Hospital, Gouverneur.

For more information on this project, contact Patrick Kelly at the St. Lawrence Co. IDA (315) 379-9806 ext 3301.