

**INITIAL RESOLUTION**

(Edward John Noble Hospital of Gouverneur, New York)

A regular meeting of the Board of Directors of the St. Lawrence County Industrial Development Agency Civic Development Corporation (“Issuer”) was convened in public session on May 12, 2010 at McCarthy’s Restaurant, U.S. Highway 11, Canton, New York.

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

MEMBER	PRESENT	ABSENT
Lynn Blevins	X	
Mark C. Hall	X	
Ernest LaBaff	X	
Andrew J. McMahan	X	
Brian W. Staples	X	
R. Joseph Weekes, Jr.	X	

Also present: Raymond H. Fountain, CEO; Patrick J. Kelly, Deputy CEO; Kimberly Gilbert, CFO; Rich Williams, Facilities Manager; Brian Norton, Economic Developer; Natalie Sweatland, Administrative Assistant; William R. Small, Esq., Issuer Counsel; and Edmund J. Russell, III, Esq., of Underberg & Kessler.

A motion was duly made and seconded. The following Resolution was placed before the Board of Directors of the Issuer.

**RESOLUTION OF THE ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY CIVIC DEVELOPMENT CORPORATION (THE “ISSUER”) (1) TAKING OFFICIAL ACTION TOWARDS THE ISSUANCE OF UP TO \$13,000,000 PRINCIPAL AMOUNT CIVIC FACILITY REVENUE BONDS (EDWARD JOHN NOBLE HOSPITAL OF GOUVERNEUR, NEW YORK PROJECT), SERIES 2010 FOR THE PURPOSE OF FINANCING THE COSTS OF A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW) FOR THE BENEFIT OF THE EDWARD JOHN NOBLE HOSPITAL OF GOUVERNEUR, NEW YORK (THE “HOSPITAL”); (2) ACCEPTING THE APPLICATION OF THE HOSPITAL; (3) AUTHORIZING A PUBLIC HEARING; AND (4) ADOPTING FINDINGS PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT (“SEQRA”)**

**RESOLUTION NO. CDC-10-05-05  
May 12, 2010**

**WHEREAS**, 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"); and

**WHEREAS**, the Hospital has submitted an application to the Issuer regarding the financing of the Project; and

**WHEREAS**, 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; and

**WHEREAS**, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer hereby authorizing the publication and mailing of notice of a public hearing and the holding of a public hearing with respect to the Project and the proposed Financial Assistance being contemplated by the Issuer (the "Public Hearing"), whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

**WHEREAS**, the Hospital reasonably expects that it will (1) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Bonds, (2) use funds from sources other than proceeds of the Bonds which are or will be available on a short-term basis to pay for preliminary expenditures, and the acquisition, construction, renovation and equipping of the Project, and (3) reimburse itself for the use of such funds with proceeds of the Bonds; and

**WHEREAS**, prior to the issuance of the Bonds, the Hospital has incurred and paid, or will incur and pay, certain preliminary expenditures for architectural, engineering, legal and other services and may also incur actual hard construction or acquisition costs in connection with the Project, all of which have been or will be paid out of funds of the Hospital which expenditures are reasonably expected to be reimbursed out of the proceeds of the Bonds.

**WHEREAS**, the Hospital has previously submitted to the St. Lawrence County Industrial Development Agency (the "Agency") a Long Form Environmental Assessment Form (the "EAF") in compliance with Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, "SEQRA") with respect to the Project, and the Agency issued a negative declaration, a copy of which is attached hereto as Exhibit A.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ISSUER AS FOLLOWS:**

Section 1. Based upon the representations made by the Hospital to the Issuer in the Hospital's application the Issuer hereby finds and determines that:

(A) It is desirable and in the public interest for the Issuer to issue the Bonds to finance the Project Costs; and

(B) The Issuer has the authority to take the actions contemplated herein; and

(C) The action to be taken by the Issuer will induce the Hospital to undertake the Project, thereby increasing employment opportunities in St. Lawrence County, New York, and otherwise furthering the purposes of the Issuer.

Section 2. The Issuer accepts the application made by Hospital.

Section 3. The Issuer authorizes the publication and mailing of notice of a public hearing and the holding of a public hearing with respect to the Project and the proposed Financial Assistance, as required by the Code.

Section 4. The granting of the Financial Assistance, as contemplated by Paragraph 2 of this Resolution, shall be subject to:

(A) approval by the St. Lawrence County Board of Legislators of the issuance of the Bonds in accordance with the provisions of Section 147(f) of the Code; and

(B) agreement by the Issuer, the Hospital and the purchaser of the Bonds on mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions for the security for the payment thereof.

Section 5. The Issuer adopts the Agency's finding that the Project involves an "Unlisted Action" as said term is defined under SEQRA. The Issuer further adopts the Agency's findings and determination that, based upon the review by the Agency of the Application, EAF and related documents delivered by the Hospital to the Agency and other representations made by the Hospital to the Agency in connection with the Project, (i) the Project will result in no major impacts and, therefore, is one which may not cause significant damage to the environment; (ii) the Project will not have a "significant effect on the environment" as such quoted terms are defined in SEQRA; (iii) no "environmental impact statement" as such quoted term is defined in SEQRA, need be prepared for this action; and (iv) the Agency's determination constitutes a "negative declaration" for purposes of SEQRA.

Section 6. The Hospital is hereby authorized to undertake the financing of the Facility with the Bonds.

Section 7. To the extent Hospital has paid or incurred or will pay or incur preliminary expenditures or hard costs in connection with the Facility with current funds, it reasonably expects to reimburse itself with proceeds from the Bonds.

Section 8. With respect to the issuance of the Bonds, the law firm of Underberg & Kessler LLP of Rochester, New York, is hereby appointed Bond Counsel to the Issuer.

Section 9. Counsel to the Issuer and Bond Counsel are hereby authorized to work with counsel to the Hospital and others to prepare for submission to the Issuer, all documents necessary to effect the authorization, issuance and sale of the Bonds, and reimbursement of the cost of all such work prior to the date hereof is hereby authorized to the extent permitted by the Code.

Section 10. This Resolution shall constitute the adoption of "official intent" (within the meaning of the United States Treasury Regulations Section 1.150-2(d)) with respect to issuance of the Bonds and the original expenditures which are reasonably expected to be reimbursed from the proceeds of the Bonds.

Section 11. The Chairman (or Vice Chairman) or Secretary of the Issuer is hereby authorized and directed to distribute copies of this Resolution to the Hospital and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 12. This Resolution shall take effect immediately.

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

MEMBER	AYE	NAY	ABSTAIN	ABSENT
Lynn Blevins	X			
Mark C. Hall	X			
Ernest LaBaff	X			
Andrew J. McMahon	X			
Brian W. Staples	X			
R. Joseph Weekes, Jr.	X			

The resolution was thereupon declared duly adopted.

**SECRETARY’S CERTIFICATION**

STATE OF NEW YORK )  
COUNTY OF ST. LAWRENCE ) ss.:

I, the undersigned Secretary of the St. Lawrence County Industrial Development Agency Civic Development Corporation (the “CDC”), DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the CDC, including the resolution contained therein, held on May 12, 2010 with the original thereof on file in my office, and that the same is a true and correct copy of the said original and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that (A) all Directors of said CDC had due notice of said meeting; (B) that the meeting was in all respects duly held; and (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with the Open Meetings Law.

I FURTHER CERTIFY, that there was a quorum of the Directors of the CDC 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, rescinded or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said CDC this 12<sup>th</sup> day of May, 2010.

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/s/  
Mr. Lynn Blevins

[SEAL]

**EXHIBIT A**  
**NEGATIVE DECLARATION**



**Reasons Supporting This Determination:**

(See 617.7(a)-(c) for requirements of this determination ; see 617.7(d) for Conditioned Negative Declaration)

The only area of environmental concern identified during the SEQR process was the disturbance of approximately 2 acres of land. This has been addressed Through the NYS DEC NOI/SWPPP permitting process for water shed.

**If Conditioned Negative Declaration**, provide on attachment the specific mitigation measures imposed, and identify comment period (not less than 30 days from date of publication In the ENB)

**For Further Information:**

Contact Person: Raymond H. Fountain

Address: 80 SH 310, Suite 6, Canton, NY 13617

Telephone Number: 315-379-9806

**For Type 1 Actions and Conditioned Negative Declarations, a Copy of this Notice is sent to:**

Chief Executive Officer , Town / City / Village of

Other involved agencies (If any)

Applicant (If any)

Environmental Notice Bulletin, Room 538, 50 Wolf Road, Albany NY, 12233-1750 (Type One Actions only)