

**ACLD Bond Resolution**

A regular meeting of the Nassau County Local Economic Assistance Corporation (the “Issuer”) was convened in public session at the offices of the Issuer located at 1550 Franklin Avenue, Suite 235, Mineola, County of Nassau, New York on October 5, 2011 at 5:00 p.m., local time.

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

**PRESENT:**

Jeffrey L. Seltzer	Chairman
Bruce Ungar	Treasurer
Christopher Fusco	Asst. Secretary

**ABSENT:**

Gary Weiss	Secretary
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**THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:**

Joseph J. Kearney	Chief Executive Officer
Colleen Pereira	Administrative Director
Joseph Foarile	Chief Financial Officer
Mary Dolan Grippo	Chief Marketing Officer
Edward Ambrosino, Esq.	General Counsel
Paul O’Brien, Esq.	Bond/Transaction Counsel
Milan Tyler, Esq.	Bond/Transaction Counsel

The attached resolution no. 2011-06 was offered by B. Ungar, seconded by C. Fusco:

Resolution No. 2011-06

RESOLUTION OF THE NASSAU COUNTY LOCAL ECONOMIC ASSISTANCE CORPORATION (i) AUTHORIZING THE ISSUANCE AND SALE OF APPROXIMATELY \$19,622,000 BUT NOT TO EXCEED \$22,000,000 TAX-EXEMPT AND TAXABLE REVENUE BONDS, SERIES 2011 (ADULTS AND CHILDREN WITH LEARNING AND DEVELOPMENTAL DISABILITIES, INC. PROJECT) (THE "BONDS"), (ii) AUTHORIZING AND APPROVING THE FINANCING OF A PORTION OF THE COSTS OF CERTAIN PROJECTS FOR ADULTS AND CHILDREN WITH LEARNING AND DEVELOPMENTAL DISABILITIES, INC. (THE "APPLICANT"), (iii) AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, A LOAN AGREEMENT, A TAX COMPLIANCE AGREEMENT, A BOND PURCHASE AGREEMENT, A PRELIMINARY AND FINAL OFFICIAL STATEMENT AND CERTAIN RELATED DOCUMENTS, AND (iv) AUTHORIZING THE TAKING OF OTHER ACTION IN CONNECTION THEREWITH

WHEREAS, Section 1411 of the Not-For-Profit Corporation Law, as amended (the "Act"), has been heretofore enacted by the Legislature of the State of New York for the purposes, among others, of providing for the creation of local development corporations in the State of New York for the exclusively 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, carrying on scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area or 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 Nassau County Legislature (the "County Legislature") authorized the formation of the Issuer under the Act pursuant to Resolution No. 255-2010 adopted by the County Legislature on September 20, 2010 and approved by the County Executive of Nassau County on September 21, 2010; and

WHEREAS, pursuant to such authorization of the County Legislature, the Issuer has been incorporated under said Act by the filing of its Certificate of Incorporation with the Office of the Secretary of State of the State of New York on November 30, 2010; and

WHEREAS, the Issuer is authorized by the Act to issue its negotiable bonds, notes or other obligations; and

WHEREAS, Adults and Children with Learning and Developmental Disabilities, Inc., a corporation organized under the New York Not-For-Profit Corporation Law (the "Applicant"), has requested that the Issuer finance a portion of the costs of the acquisition, construction and equipping of a project (the "Project") through the issuance of its tax-exempt

and/or taxable revenue bonds (the "Bonds") in one (1) or more series presently estimated to be in the aggregate principal amount of \$19,622,000 but in no event to exceed \$22,000,000 consisting of: (A) the acquisition of title to or other interest in all or a portion of an approximately 3.66 acre parcel of vacant land (the "Charles Evans Parcel") located on South Oyster Bay Road, Town of Oyster Bay, Bethpage, New York (Section 46, Block G, Lot 66) and the construction thereon of the Applicant's "Charles Evans Health Services Center" consisting primarily of a two-story clinic and office building containing an aggregate of approximately 22,000 square feet for the purpose of housing the Applicant's Article 28 and Article 16 medical and dental services facility for individuals with developmental disabilities (the "Charles Evans Health Services Center Project"); (B) the construction and equipping of up to three (3) individual residential alternative buildings, each containing approximately 4,275 square feet to be located on a portion of the Charles Evans Parcel, to provide a 24 hour supervised residential program for up to eight (8) residents per building (the "Residential Programs Project"); (C) the renovation, upgrading and improvement to the Applicant's existing Lindner Building located at 807 South Oyster Bay Road, Town of Oyster Bay, Bethpage, New York (Section 46, Block G, Lot 61), such building containing an aggregate of approximately 20,000 square feet for the purpose of administrative offices (the "Lindner Center Renovation Project"); and (D) the renovation, upgrading and improvement to the Applicant's existing Day Habilitation Building located at 837 South Oyster Bay Road, Town of Oyster Bay, Bethpage, New York (Section 46, Block G, Lot 64), such building containing approximately 20,000 square feet for the purpose of administrative offices and adult day habilitation programs (the "Day Habilitation Renovation Project"), together with the acquisition and installation in and around the Project of certain machinery, equipment, furnishings, fixtures and other items of tangible real and/or personal property, and the payment of certain costs and expenses incurred in connection with the Project and the financing thereof, together with a debt service reserve fund and certain capitalized interest; and

WHEREAS, the Chief Executive Officer of the Issuer (A) caused notice of a public hearing of the Issuer (the "Public Hearing") pursuant to Section 147(f) of the Code, to hear all persons interested in the Project and the Financial Assistance, to be published on September 10, 2011, in *Newsday*, a newspaper of general circulation available to the residents of Nassau County, New York; (B) conducted the Public Hearing on September 26, 2011 at Town Hall, 54 Audrey Avenue, Oyster Bay, Town of Oyster Bay, Nassau County, New York; and (C) prepared a report of the Public Hearing (the "Report") which fairly summarized the views presented at said public hearing and distributed same to the members of the Issuer and to the County Executive of Nassau County, New York (the "County Executive"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the appropriate personnel of the Issuer reviewed the environmental assessment form and other materials submitted by the Applicant and made any necessary comments to members of the Issuer, and by resolution of the members of the Issuer adopted on the date hereof, the Issuer decided to conduct an uncoordinated review of the Project and determined that the Project will not have a significant

adverse environmental impact and that an environmental impact statement will not be prepared; and

WHEREAS, the Issuer has given due consideration to the Application and to the representations made by the Applicant therein and in certain supplemental documents; and

WHEREAS, the Issuer desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Nassau County, New York, to improve their standard of living, and to prevent unemployment and economic deterioration, by undertaking the Project in Nassau County, New York; and

WHEREAS, in order to finance a portion of the costs of the acquisition, construction, equipping and installation of the Project, and for incidental and related costs and to provide funds to pay the costs and expenses of the issuance of the Bonds, the Issuer is prepared to issue the Bonds in one (1) or more series, all pursuant to the Act and to secure the Bonds pursuant to an Indenture of Trust, including any supplements thereto (the "Indenture") to be entered into between the Issuer and a banking organization acting as trustee (the "Trustee"); and

WHEREAS, further in conjunction with the issuance of the Bonds, the Issuer will loan the proceeds thereof to the Applicant pursuant to a Loan Agreement (the "Loan Agreement") between the Issuer and the Applicant; and

WHEREAS, there may also be entered into in connection with the foregoing a Tax Compliance Agreement, a Guaranty Agreement, an Environmental Compliance and Indemnification Agreement, one (1) or more Bond Purchase Agreements, and a Mortgage and Assignment of Mortgage, and there shall be issued an Official Statement (following prior distribution of a Preliminary Official Statement); and

WHEREAS, the Underwriter with respect to the Bonds will be Gates Capital Corporation; and

WHEREAS, one (1) or more series of the Bonds may be secured by irrevocable direct pay letters of credit or other credit enhancement facilities (collectively, the "Credit Facility") issued by T.D. Bank, N.A. (or such other bank or credit provider as shall be approved by a certificate of determination of an officer of the Issuer or by execution of a Bond Purchase Agreement containing such determination) (the "Credit Provider") in favor of the holders of such series of Bonds; and

WHEREAS, one (1) or more series of Bonds will be issued with the intent that the interest thereon will be excludable from gross income for federal income tax purposes (such series of Bonds, the "Tax-Exempt Bonds"); and

WHEREAS, interest on any Tax-Exempt Bonds will not be excludable from gross income for federal income tax purposes unless, pursuant to Section 147(f) of the Code and the regulations of the United States Treasury Department thereunder (the "Treasury Regulations"),

the issuance of the Tax-Exempt Bonds is approved by the County Executive (the “Public Approval”); and

WHEREAS, having complied with the notice requirements of Section 147(f) of the Code and the requirements of SEQRA with respect to the Project, but subject to obtaining the Public Approval, the Issuer now desires to make its determination to proceed with the Project and issue the Bonds, subject to the terms hereof; and

WHEREAS, in order to consummate the aforesaid financing, the Issuer proposes to execute, issue and deliver the Bonds and to execute the Official Statement and the Issuer proposes to enter into: (A) the Indenture, (B) the Loan Agreement, (C) the Tax Compliance Agreement, (D) the Bond Purchase Agreements, and (E) certain other documents, instruments and agreements in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NASSAU COUNTY LOCAL ECONOMIC ASSISTANCE CORPORATION AS FOLLOWS:

Section 1. The Issuer has reviewed the Application and the Report and, based upon the representations made by the Applicant to the Issuer, the Issuer hereby determines that the Project will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project. The Issuer further determines that:

- (a) The Project constitutes a “project”, contemplated by the Act; and
- (b) The Project is located entirely within the boundaries of the Town of Oyster Bay, Nassau County, New York, and is not located within the boundaries of any incorporated village; and
- (c) The financing of a portion of the costs of the Project by the Issuer and the sale thereof to the Applicant is reasonably necessary to induce the Applicant to proceed with the Project and to maximize the Applicant’s employment within Nassau County, New York.

Section 2. The Issuer hereby determines that the Issuer has complied with the notice requirements of Section 147(f) of the Code and the requirements of SEQRA that apply to the Project, subject to obtaining the Public Approval with respect to the Tax-Exempt Bonds.

Section 3. Having considered fully all comments received at or in connection with the Public Hearing, the Issuer hereby determines to proceed with the Project and the issuance of the Bonds, subject to the terms hereof.

Section 4. The Issuer hereby authorizes the Chief Executive Officer of the Issuer to request that Nassau County, New York, acting through the County Executive, approve the issuance of the Tax-Exempt Bonds.

Section 5. The Project will be financed through the issuance of the Bonds of the Issuer, which Bonds will be special obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Loan Agreement.

Section 6. The Chief Executive Officer and other officers of the Issuer and other appropriate officials of the Issuer and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Applicant to assist in the financing of a portion of the costs of the acquisition, construction, renovation, equipping and installation of the Project.

Section 7. The Applicant is authorized to initiate the acquisition, construction, renovation, equipping and installation of the Project and to advance such funds as may be necessary to accomplish such purposes, subject to reimbursement for all qualifying expenditures out of the proceeds of the Bonds. The Issuer is hereby authorized to enter into such agreements with the Company as the Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary, Assistant Secretary and/or Chief Executive Officer may deem necessary in order to accomplish the above.

Section 8. Any qualified costs incurred by the Applicant in initiating the acquisition, construction, renovation, equipping and installation of the Project shall be reimbursed by the Issuer from the proceeds of the Bonds as provided in the Indenture; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

Section 9. Subject to receipt by the Issuer of the Public Approval with respect to the Tax-Exempt Bonds, to accomplish the purposes of the Act and to provide for the financing of a portion of the cost of the acquisition, construction, renovation, equipping and installation of the Project, the issuance of the Bonds of the Issuer is hereby authorized subject to the provisions of this Resolution and the Indenture hereinafter authorized.

The Bonds authorized to be issued, executed, sold and delivered hereunder shall be dated as provided in the Indenture, may be issued in fully registered form (subject to the Book-Entry Only system of the Depository Trust Company), shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable as to interest by check, draft or wire transfer as provided in the Indenture, shall be issued as one or more serial and/or term bonds and in the approximate aggregate principal amount of \$19,622,000 but not to exceed \$22,000,000, having maturity dates and bearing interest from their date at interest rates to be set forth in the Bonds, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this Resolution, such interest to be payable as stipulated in the Indenture until the payment in full of the principal amount thereof and subject to such terms of redemption prior to the maturity thereof and to have such other terms and

provisions and be issued in such manner and on such conditions, all as set forth in the Bonds and as set for in the Indenture, and as finally determined by a certificate of determination by an Issuer officer or by execution of a Bond Purchase Agreement containing such determination.

The provisions for signatures, authentication, payment, delivery, redemption and number of the Bonds shall be as set forth in the Indenture.

The Bonds are hereby authorized to be publicly or privately offered by Gates Capital Corporation (the "Underwriter") and sold to the initial purchaser(s) thereof at such purchase price as shall be approved by a certificate of determination of an Issuer officer or by execution of Bond Purchase Agreements containing such determination, and such authorization is subject to the agreement of the initial purchaser(s) thereof to enter into a binding agreement at closing to pay for all of the Bonds as and when required by the Indenture and the Bond Purchase Agreements.

Section 10. The Bonds shall be secured by the pledge effected by the Indenture and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts derived from or in connection with the Project, to the extent set forth in the Indenture and the Loan Agreement. The Bonds, together with the interest thereon, are special obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the funds and accounts established by the Indenture (subject to disbursements therefrom in accordance with the Indenture and the Loan Agreement), except the Rebate Fund, and shall never constitute a debt of the State of New York or of the County of Nassau, New York, and neither the State of New York nor the County of Nassau, New York, shall be liable thereon, nor shall the Bonds be payable out of any funds of the Issuer other than those pledged therefor. The payment of the principal of, redemption premium, if any, and interest on the Bonds may be guaranteed by the Applicant pursuant to a Guaranty Agreement, the form of which is hereby approved. The Bonds may be further secured by the Credit Facility.

Section 11. The Issuer hereby determines to, and the officers of the Issuer and other appropriate officials of the Issuer and its agents and employees are hereby authorized to: (A) cause the Applicant to proceed with the Project, (B) use the proceeds of the Bonds to finance, acquire, construct, renovate, equip and install the Project, including paying all or a portion of the costs of issuance with respect thereto, (C) secure the Bonds by vesting certain powers and duties in the Trustee pursuant to the Indenture, and by assigning to the Trustee certain of the Issuer's rights and remedies under the Loan Agreement, including the right to collect and receive loan payments payable thereunder (except for the Issuer's Unassigned Rights as defined in the Loan Agreement) pursuant to the Indenture, and (D) file the applicable Information Return for Private Activity Bond Issues, Form 8038 (the "Information Return") in the manner and at the places provided in the Code. All acts heretofore taken by the Issuer with respect to the acquisition and sale of such interest in the Project are hereby approved, ratified and confirmed.

Section 12. The execution and delivery of the Indenture, the Bonds, the Loan Agreement, the Tax Compliance Agreement, the Official Statement and the Bond Purchase

Agreements (the documents referenced in this Section 12, together with all other documents, instruments, and certificates contemplated thereby or appropriate to the contemplated transactions, being, collectively, the “Issuer Documents”), each being similar in form to those approved by the Issuer for prior financings, is hereby authorized. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary, Assistant Secretary and Chief Executive Officer of the Issuer are each hereby authorized to execute, acknowledge and deliver each such agreement, and the Chief Executive Officer, the Secretary and the Assistant Secretary are each hereby authorized to affix the seal of the Issuer on each such agreement, as applicable, and attest the same. The execution and delivery of each such agreement by any one said officer shall be conclusive evidence of due authorization and approval.

Section 13. The Issuer hereby authorizes the Underwriter to distribute the Official Statement in connection with the Underwriter’s public offering of the Bonds and ratifies any prior distribution of the Preliminary Official Statement with respect thereto.

Section 14. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Issuer Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Issuer and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the members thereof by the provisions of this Resolution and the Issuer Documents shall be exercised or performed by the Issuer or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in any of the Issuer Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Issuer in his or her individual capacity, and neither the members of the Issuer nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 15. The Issuer is hereby authorized to cause the Applicant to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Bonds, all as particularly authorized by the terms and provisions of the Loan Agreement and the Indenture.

Section 16. The Chairman, Vice Chairman, Chief Executive Officer and the officers of the Issuer are hereby designated the authorized representatives of the Issuer, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and



things necessary or proper for carrying out this Resolution, the Issuer Documents and the issuance of the Bonds.

Section 17. Any expenses incurred by the Issuer with respect to the Project and the financing thereof, including, without limitation, the fees and expenses of the Issuer and Bond Counsel and bond issuance and other fees imposed by the State of New York shall be reimbursed out of the proceeds of the Bonds. In the event such proceeds are insufficient after payment of other costs of the Project or bonds are not issued by the Issuer for any reason, such expenses shall be paid by the Applicant. By accepting this Resolution, the Applicant agrees to pay such expenses and further agrees to indemnify the Issuer, its members, officers, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer in good faith with respect to the Project and the financing thereof.

Section 18. The findings of the Issuer set forth herein are intended to be a statement of the Issuer's "official intent" as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e). This Bond Resolution is subject to further compliance with the provisions of Sections 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of the Public Approval.

Section 19. The Issuer recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Issuer herein. The Issuer hereby authorizes the Chairman, Vice Chairman, Chief Executive Officer, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary of the Issuer to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the certificate of determination of an Issuer officer or the execution and delivery by some or all such Issuer officers of relevant documents containing such modified terms.

Section 20. The officers of the Issuer are each hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such further acts as may be necessary or convenient to implement the provisions and intent of this Resolution.

Section 21. This Resolution shall take effect immediately.

Jeffrey L. Seltzer	VOTING	Aye
Gary Weiss	EXCUSED	
Bruce Ungar	VOTING	Aye
Christopher Fusco	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

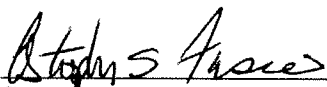
STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NASSAU )

*Asst.*  
I, the undersigned *Asst.* Secretary of the Nassau County Local Economic Assistance Corporation (the "Issuer"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the board of directors of the Issuer, including the Resolution contained therein, held on ~~September 27~~<sup>October 5</sup>, 2011, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all directors of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the board of directors 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 5<sup>th</sup> day of ~~September~~<sup>October</sup>, 2011.

  
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*Asst. Secretary*  
(SEAL)