

Hagedorn Little Village School Bond Resolution

At a meeting of the Nassau County Local Economic Assistance Corporation, Nassau County, New York (the "Issuer"), held at Theodore Roosevelt County Executive & Legislative Building, 1550 Franklin Avenue, Suite 235, Mineola, New York 11501, on the 22nd day of July, 2013, the following members of the board of directors of the Issuer were:

Present: Gary Weiss
Bruce Ungar
Jeffrey Seltzer

Recused:

Absent: Christopher Fusco

Also Present: Joseph J. Kearney
Joseph Foarile

After the meeting had been duly called to order, the Chairman 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 Revenue Bonds, Series 2013 (The Hagedorn Little Village School Project) presently estimated to be approximately \$3,800,000 but not to exceed \$4,500,000.

The following resolution 2013-10 and 2013-11 was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Gary Weiss
Jeffrey Seltzer

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE ISSUER'S REVENUE BONDS, SERIES 2013 (THE HAGEDORN LITTLE VILLAGE SCHOOL PROJECT), IN THE AGGREGATE PRINCIPAL AMOUNT PRESENTLY ESTIMATED TO BE APPROXIMATELY \$3,800,000, BUT NOT TO EXCEED \$4,500,000 AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, pursuant to and in accordance with the provisions of Section 1411 of the New York Not-for-Profit Corporation Law, as amended (collectively, the "**Act**"), the Nassau County Local Economic Assistance Corporation (the "**Issuer**") was created with the authority and power to issue its revenue bonds for the purpose of, among other things, acquiring certain industrial facilities as authorized by the Act; and

WHEREAS, there was submitted to the Issuer a proposal to issue its Revenue Bonds, Series 2013 (The Hagedorn Little Village School Project) under §145 of the Internal Revenue Code of 1986, as amended (the "**Code**"), in the aggregate principal amount presently estimated to be approximately \$3,800,000 but not to exceed \$4,500,000 (the "**Series 2013 Bonds**"), for the benefit of The Hagedorn Little Village School, a New York not-for-profit corporation and an organization described in Section 501 (c)(3) of the Code and exempt from federal income taxation pursuant to Section 501(a) of the Code, having an office at 750 Hicksville Road, Seaford, New York 11783 (the "**Organization**"), in an amount sufficient to finance and refinance the costs of certain facilities located at 750 Hicksville Road, Seaford, New York 11783, consisting of the following: (A) the construction, renovation, equipping and furnishing of an approximately 23,000 square foot addition to an existing approximately 46,000 square foot building, creating a facility with a combined area of 69,000 square feet consisting of the following uses: (1) storage space, (2) a library, (3) an additional physical therapy and occupational therapy center, (4) three new speech therapy rooms, (5) a second entrance to the school, (6) two classrooms for Early Intervention programs, (7) space for administrative staff, and (8) an additional conference room; and (B) the paying of all or a portion of the costs incidental to the issuance of the Series 2013 Bonds, including issuance costs of the Series 2013 Bonds and funding any reserve funds as may be necessary to secure the Series 2013 Bonds (collectively, the "**Series 2013 Project**"); and

WHEREAS, the proceeds of the Series 2013 Bonds will be loaned by the Issuer to the Organization for the financing and refinancing, acquisition, construction, renovation and equipping of the Series 2013 Project, pursuant to the Act; and

WHEREAS, in compliance with Section 147(f) of the Code, the Issuer, on July 22, 2013, held a public hearing on the issuance of the Series 2013 Bonds following public notice on July 8, 2013, which public notice is in substantially the same in the form annexed hereto as Exhibit A and such notice complies with all requirements of the Code and the Act; and

WHEREAS, minutes of the Hearing are annexed hereto as Exhibit B; and

WHEREAS, the Issuer has proposed to loan the proceeds of the Series 2013 Bonds to the Organization pursuant to the terms of a Loan Agreement between the Issuer and the Organization (the "Loan Agreement"), whereby the Organization will be obligated, among other things, to make loan payments to or for the account of the Issuer in amounts and at times so that such loan payments will be adequate to pay the principal of, premium, if any, and interest on the Series 2013 Bonds; and

WHEREAS, the Organization reasonably expects that it will pay or incur certain capital expenditures in connection with the Series 2013 Project prior to the issuance of the Series 2013 Bonds for the Series 2013 Project; and

WHEREAS, the Organization will use funds from sources other than the proceeds of the Series 2013 Bond which are or will be available on a short-term basis to pay for preliminary expenditures and the acquisition, construction, renovation, equipping and furnishing of the Series 2013 Project; and

WHEREAS, the Organization reasonably expects that it will reimburse itself for the use of such funds with proceeds of indebtedness to be issued by the Issuer to finance or refinance the costs of the Series 2013 Project; and

WHEREAS, by Certificate of Approval to be executed prior to the issuance of the Series 2013 Bonds by the Honorable Edward Mangano, County Executive of Nassau County, New York, the "applicable elected representative" as required under Section 147(f) of the Code will have approved the issuance of the Series 2013 Bonds; and

WHEREAS, the Organization has received a commitment from TD Bank, N.A. (the "**Purchaser**"), to direct purchase the Series 2013 Bonds in the total aggregate principal amount presently estimated to be approximately \$3,800,000, but not to exceed \$4,500,000 pursuant to a certain Bond Purchase and Continuing Covenants Agreement, dated a date to be determined (the "**Bond Purchase and Continuing Covenants Agreement**"), by and between the Organization and the Purchaser; and

WHEREAS, in order to further secure the Series 2013 Bonds, (i) the Organization will grant a lien and security interest in the Pledged Collateral pursuant to the Pledge and Security Agreement, dated as of August 1, 2013 (the "**Pledge and Security Agreement**"), from the Organization in favor of the Trustee, subject only to the lien of the hereinafter defined Mortgages; (ii) the Organization will grant mortgage liens on and security interests in its fee interest in the Facility to the Issuer and the Trustee pursuant to a certain Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (Project Loan), and a certain Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (Building Loan), each dated as of August 1, 2013 or such other date as may be determined by the Chairman, Vice Chairman, Chief Executive Officer and Bond Counsel, and each from the Organization to the Issuer and the Trustee (collectively, the "**Mortgages**"), and (iii) the Issuer will assign its right, title and interest under the Mortgages to the Trustee pursuant to a certain Assignment of Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (Project Loan) and a certain Assignment of Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (Building Loan),

each dated August 1, 2013 or such other date as may be determined by the Chairman, Vice Chairman, Chief Executive Officer and Bond Counsel, and each from the Issuer to the Trustee (collectively, the “**Assignments**”); and

WHEREAS, to aid the Issuer in determining whether the Series 2013 Project and the issuance of the Series 2013 Bonds may have a significant effect upon the environment, the Organization prepared and submitted to the Issuer an Environmental Assessment Form (“**EAF**”) and related documents (the “**Questionnaire**”) with respect to the Series 2013 Project, a copy of which is on file at the office of the Issuer; and

WHEREAS, the Questionnaire has been reviewed by the Issuer; and

WHEREAS, the Organization has agreed to indemnify the Issuer against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the issuance of the Series 2013 Bonds and the financing of the Series 2013 Project;

NOW, THEREFORE, BE IT RESOLVED by the Nassau County Local Economic Assistance Corporation (a majority of the members of the board of directors thereof affirmatively concurring) as follows:

Section 1. Based upon the Questionnaire prepared by the Organization and reviewed by the Issuer, and other representations and information furnished regarding the Action, the Issuer determines that the Action for purposes of review under the State Environmental Quality Review Act (“SEQRA”) is an “Unlisted” action as that term is defined under SEQRA. The Issuer also determines that the issuance of the Series 2013 Bonds and the financing of the Series 2013 Project will not have a “significant effect” on the environment and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQRA. Notice of this determination shall be filed to the extent required by the applicable regulations under that Act or as may be deemed advisable by the Chairman, Vice Chairman, Chief Executive Officer or Bond Counsel to the Issuer.

Section 2. 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 (i) acquisition, construction, renovation, equipping, furnishing and refinancing of the Series 2013 Project, and (ii) lending of the proceeds of the Series 2013 Bonds pursuant to the Loan Agreement will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Nassau County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(c) It approves of the location of the site of the Series 2013 Project; and

(d) Based upon representations and warranties of the Organization, the Series 2013 Project conforms with the local zoning laws and planning regulations of Nassau County and all regional and local land use plans for the area in which the Series 2013 Project is located; and

(e) The financing of the Series 2013 Project is reasonably necessary to induce the Organization to maintain and expand its operations within the State of New York; and

(f) The Series 2013 Project and the operations conducted therein by the Organization 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 Nassau County; and

(g) The Series 2013 Project and the operations conducted therein by the Organization will not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(h) The Indenture of Trust, dated as of August 1, 2013 or such other date as may be determined by the Chairman, Vice Chairman, Chief Executive Officer and Bond Counsel (the “**Indenture**”), will be an effective instrument which, among other things, secures the Series 2013 Bonds, assigns to U.S. Bank National Association, or such other entity as may be determined, as trustee (the “**Trustee**”) certain rights and remedies of the Issuer under the Loan Agreement and authorizes the Trustee to accept and execute trusts of the character set forth in the Indenture; and

(i) The Loan Agreement will be an effective instrument whereby the Issuer will loan the proceeds of the Series 2013 Bonds to the Organization; and

(j) The Series 2013 Promissory Note (the “**Note**”), dated the Closing Date, and from the Organization to the Issuer and endorsed thereon by the Issuer to the Trustee, will be an effective instrument evidencing the Organization’s obligation to make loan payments to the Issuer; and

(k) The Building Loan Agreement, dated as of August 1, 2013 or such other date as may be determined by the Chairman, Vice Chairman, Chief Executive Officer and Bond Counsel (the “**Building Loan Agreement**”), by and among the Organization, the Trustee, the Issuer and the Purchaser, will be an effective instrument which, among other things, provides for improvements which have been, or may be, constructed on the Land; and

(l) The Tax Regulatory Agreement, dated the Closing Date, by and between the Organization and the Issuer (the “**Tax Regulatory Agreement**”), will be an effective instrument whereby the Organization and the Issuer set forth certain representations, expectations, conditions and covenants establishing compliance with the restrictions imposed by the Code relating to hearings and approval by the Issuer, activities of the Organization, the Series 2013 Bonds, the Series 2013 Project and the application of Bond Proceeds; and

(m) The Assignments will be effective instruments whereby the Issuer assigns certain rights and remedies of the Issuer under the Mortgages to the Trustee; and

(n) Based on representations by Bond Counsel, under Section 103(a) and Section 145(a) of the Code and the applicable regulations of the Department of Treasury promulgated thereunder, the interest on an issue of revenue bonds issued by a local development corporation of a State for certain facilities for use by an Organization described in Section 501(c)(3) of the Code is excludable from gross income for federal income tax purposes, subject to the limitations and requirements of the Code.

Section 3. In consequence of the foregoing, the Issuer hereby determines to: (i) issue the Series 2013 Bonds and loan the proceeds of the Series 2013 Bonds to the Organization pursuant to and in accordance with the Loan Agreement, (ii) use the proceeds of the Series 2013 Bonds to acquire, construct, renovate, equip, furnish and refinance the Series 2013 Project, (iii) fund, with respect to the Series 2013 Bonds, the Debt Service Reserve Account within the Debt Service Reserve Fund in an amount equal to the Debt Service Reserve Fund Requirement, if required for any Series 2013 Bonds, (iv) pay a portion of the costs of issuance for the Series 2013 Bonds to the extent allowable under the Code, (v) loan the proceeds of the Series 2013 Bonds to the Organization pursuant to the Loan Agreement, (vi) secure the proceeds of the Series 2013 Bonds pursuant to the Mortgages and the Assignments, (vii) secure the Series 2013 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, the Mortgages, and the Note, and (viii) file the Information Return for Private Activity Bond Issues, Form 8038 (the "**Information Return**") in the manner and at the places provided in the Code.

Section 4. The Issuer is hereby authorized to loan the proceeds of the Series 2013 Bonds to the Organization pursuant to the terms of the Loan Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Issuer with respect to such loan are hereby approved, ratified and confirmed.

Section 5. To the extent the Organization has paid or incurred or will pay or incur preliminary expenditures or hard costs in connection with the 2013 Project with current funds, it reasonably expects to reimburse itself with proceeds from the Series 2013 Bonds.

Section 6. The form and substance of the Series 2013 Bonds, the Indenture, the Loan Agreement, the Note, the Building Loan Agreement, the Assignments, the Tax Regulatory Agreement and the Information Return (each in substantially the form presented to the Issuer and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 7. The Issuer is hereby authorized to issue and execute, sell and deliver the Series 2013 Bonds to the Purchaser in the aggregate principal amount presently estimated to be \$3,800,000, but not to exceed \$4,500,000, pursuant to the Act and in accordance with the Indenture; provided that:

(a) The Series 2013 Bonds shall (i) be issued, executed and delivered at such time as the Chairman, Vice Chairman, Chief Executive Officer and Bond Counsel of the Issuer shall determine, and (ii) bear interest at the rates, be subject to redemption prior to maturity, and have such other provisions and be issued in such manner and on such conditions as set forth in the Series 2013 Bonds and the Indenture, which terms are specifically incorporated herein with the same force and effect as if fully set forth herein.

(b) The Series 2013 Bonds shall be issued solely for the purpose of providing funds to finance and/or refinance, as the case may be, the costs of the Series 2013 Project and to pay certain costs of issuance, including without limitation the administrative, legal, financial and other expenses of the Issuer incurred in connection with the construction, renovation, equipping and furnishing of the Series 2013 Project and which are incidental to the issuance of the Series 2013 Bonds.

(c) The Series 2013 Bonds and the interest thereon are not and shall never be a debt of the State of New York or Nassau, New York, and neither the State of New York nor Nassau County, New York, shall be liable thereon.

(d) The Series 2013 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from the revenues and receipts derived from the Organization or from the enforcement of the security provided by the Loan Agreement.

(e) Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Tax-Exempt Bonds or of any other funds which, if such use were reasonably expected on the date of issue of the Tax-Exempt Bonds, would cause the Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 8.

(a) The Chairman, Vice Chairman and Chief Executive Officer of the Issuer are hereby authorized, on behalf of the Issuer, to execute and deliver the Indenture, the Loan Agreement, the Assignments, the Building Loan Agreement, the Tax Regulatory Agreement and the Series 2013 Bonds (hereinafter collectively called the "**Financing Documents**") and the Information Return, and, where appropriate, the Secretary or any assistant secretary of the Issuer is hereby authorized to affix the seal of the Issuer to the Series 2013 Bonds, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Chief Executive Officer, Administrative Director or any member of the Issuer shall approve. The execution thereof by the Chairman, Vice Chairman, Chief Executive Officer or Administrative Director of the Issuer shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman and Chief Executive Officer of the Issuer are further hereby authorized, on behalf of the Issuer, to designate any additional Authorized Representatives (as defined in Schedule A to the Indenture) of the Issuer.

Section 9. The 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 by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to 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 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 Financing Documents binding upon the Issuer.

Section 10.

(a) It is desirable and in the best interest of the Issuer that, in connection with the issuance of the Series 2013 Bonds, the Series 2013 Bonds be qualified or registered for offer in various states authorized by the Issuer and that each of the members, officers, employees and agents of the Issuer be, and they hereby are each, authorized to determine the states in which appropriate action shall be taken to qualify or register for offer all or such part of the Series 2013 Bonds as said members, officers, employees and agents may deem advisable (and any such action taken to date is hereby approved, ratified and confirmed); that each of said members, officers, employees and agents be, and they hereby are each, authorized and directed to take any and all action for and on behalf of the Issuer, in connection with the proposed sale of the Series 2013 Bonds, which they may deem necessary or appropriate to obtain licenses or permits, or register, qualify or notice the Series 2013 Bonds for reoffering and issuance under the securities or Blue Sky laws of such of the various states as each of said members, officers, employees and agents may deem advisable (and any such action taken to date is hereby approved, ratified and confirmed), and in connection with such registrations, licenses, permits, qualifications or notices, to execute and file for and on behalf of the Issuer all such applications, notices, reports, issuer's covenants, resolutions, irrevocable consents to service of process (including appointment of a designated state official to act as agent to receive process), powers of attorney and information, and to take all such further action as any of them may deem necessary or desirable to keep in effect such registrations, licenses, permits, qualifications or notices or to comply with the requirements of any regulatory commission whose approval or notification with respect to the Series 2013 Bonds may be required (and any such action taken to date is hereby approved, ratified and confirmed); and that the execution by such members, officers, employees and agents of the Issuer of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor and the approval by the Issuer of the papers and documents so executed and the action so taken (and any such action taken to date is hereby approved, ratified and confirmed).

(b) The Issuer hereby adopts the form of any resolution required by any state authority to be filed in connection with any application, consent to service of process or other document mentioned in the foregoing resolution if (i) in the opinion of a member, officer, employee or agent of the Issuer the adoption of such a resolution is necessary or advisable, and (ii) the Secretary or Assistant Secretary of the Issuer evidences such adoption by attaching to the minutes of this meeting copies of such resolutions, which

will thereupon be deemed to have been adopted by the Issuer with the same force and effect as if originally attached to the minutes of this meeting (and any such action taken to date is hereby approved, confirmed and ratified).

(c) The Issuer hereby resolves that each of such members, officers, employees and agents be, and they hereby are each, authorized and directed to take any and all action for and on behalf of the Issuer in connection with the proposed issuance and offering of the Series 2013 Bonds which they may deem necessary or appropriate to render the Series 2013 Bonds legal for investment by savings banks, insurance companies, trust funds and any other institutions in such other of the various states as such members, officers, employees or agents may deem advisable (and any such action taken to date is hereby approved, confirmed and ratified).

Section 11. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Financing 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 directors thereof by the provisions of this Resolution and the Issuer Documents shall be exercised or performed by the Issuer or by such directors, 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 director, member, officer, agent or employee of the Issuer in his or her individual capacity, and neither the members or directors 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 12. This resolution shall take effect immediately and the Series 2013 Bonds are hereby ordered to be issued in accordance with this resolution.

STATE OF NEW YORK)
) ss:
COUNTY OF NASSAU)

I, the undersigned Secretary of the Nassau County Local Economic Assistance Corporation, **DO HEREBY CERTIFY:**

That I have compared the annexed extract of the minutes of the meeting of Nassau County Local Economic Assistance Corporation (the “**Issuer**”), including the resolutions contained therein, held on the 22nd day of July, 2013, 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 resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Indenture, the Loan Agreement, the Endorsement of Note, the Assignments, the Building Loan Agreement, the Tax Regulatory Agreement, the Information Return and the Series 2013 Bonds contained in this transcript of proceedings are each in substantially the form presented to the Issuer and approved by said meeting.

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 the board of directors 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 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Issuer as of this 22nd day of July, 2013.



Secretary