

**SEQR RESOLUTION
HEALTH ALLIANCE SENIOR LIVING CORP.
D/B/A WOODLAND POND AT NEW PALTZ PROJECT – 2014 REFUNDING PROJECT**

A regular meeting of the Board of Directors of Ulster County Capital Resource Corporation (the “Issuer”) was convened in public session at the Karen Binder Library, 6th Floor, 244 Fair Street, Kingston, New York on August 13, 2014 at 8:00 o’clock a.m., local time.

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

PRESENT:

Michael Horodyski	Chairman
John Morrow	Secretary
Robert Kinnin	Assistant Chairman/Assistant Secretary
James Malcolm	Assistant Chairman/Assistant Secretary
Floyd Lattin	Member
John Livermore	Member
Mary Sheeley	Member

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Suzanne Holt	Director, Office of Economic Development
Linda Clark	Office of Economic Development
Karl Schlegel	Office of Economic Development
A. Joseph Scott, III, Esq.	Issuer and Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 0814-__

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF HEALTH ALLIANCE SENIOR LIVING CORP. D/B/A WOODLAND POND AT NEW PALTZ IS A “TYPE II ACTION” AND THAT NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the County Legislature of Ulster County, New York (the “County”) adopted a resolution on March 2, 2010 (the “Sponsor Resolution”) (A) authorizing the incorporation of Ulster County Capital Resource Corporation (the “Issuer”) under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer; and

WHEREAS, in May, 2010, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate of Incorporation") creating the Issuer as a public instrumentality of the County; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, in July, 2014, Health Alliance Senior Living Corp. d/b/a Woodland Pond at New Paltz, a New York not-for-profit corporation (the "Company"), submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the refinancing, in whole, of the following outstanding revenue bonds issued by the Ulster County Industrial Development Agency: (1) the Civic Facility Revenue Bonds (Kingston Regional Senior Living Corp. - Woodland Pond at New Paltz Project), Series 2007B-1 Extendable Rate Adjustable Securities (EXTRAS) in the original aggregate principal amount of \$3,000,000 (the "Series 2007B-1 Bonds"), (2) the Civic Facility Revenue Bonds (Kingston Regional Senior Living Corp. - Woodland Pond at New Paltz Project), Series 2007B-2 Extendable Rate Adjustable Securities (EXTRAS) in the original aggregate principal amount of \$4,000,000 (the "Series 2007B-2 Bonds", and collectively with the Series 2007B-1 Bonds, the "Series 2007B Bonds") and (3) the Tax-Exempt Variable Rate Demand Civic Facility Revenue Bonds (Kingston Regional Senior Living Corp. - Woodland Pond at New Paltz - Letter of Credit Secured Project), Series 2007C in the original aggregate principal amount of \$44,700,000 (the "Series 2007C Bonds", and collectively with the Series 2007B Bonds hereinafter collectively referred to as the "Series 2007 Prior Bonds"), the proceeds of which Series 2007 Prior Bonds provided financing for a project (the "Initial Project") described as follows: (a)(i) the acquisition of an interest in certain real estate containing approximately 83 acres located to the west of North Putt Corners Road between Shivertown Road and Erman Lane in the Village of New Paltz, Ulster County, New York (the "Initial Land"); (ii) the construction on the Initial Land of one approximately 354,000 square foot building and twelve separate cottages each containing approximately 3,500 square feet of space (collectively, the "Initial Facility"); and (iii) the acquisition and installation thereon and therein of certain machinery and equipment located therein and thereon (the "Initial Equipment") (the Initial Land, the Initial Facility and the Initial Equipment hereinafter collectively referred to as the "Initial Project Facility"), all of the foregoing to constitute a continuing care retirement community under Article 46 of the New York Public Health Law to be owned by and operated by the Company; (b) the financing of all or a portion of the costs of the foregoing by the issuance of a series or multiple series of taxable and/or tax exempt revenue bonds; (c) the payment of a portion of the costs incidental to the issuance of the revenue bonds, including issuance costs of the revenue bonds, the funding of a debt service reserve fund, the cost of obtaining credit enhancement and the paying of capitalized interest on the revenue bonds; (d) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including potential exemptions from certain sales taxes, mortgage recording taxes, deed transfer taxes, and real property taxes; and (e) the sale of the Initial Project Facility to the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an

aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to be approximately \$15,000,000 and in any event not to exceed \$17,500,000 (the "Obligations"); (C) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations and (D) the making of a loan (the "Loan") of the proceeds of the Obligations to the Company or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the board of directors of the Issuer on July 9, 2014 (the "Inducement Resolution"), the Chairman of the Issuer (A) caused notice of a public hearing of the Issuer (the "Public Hearing") pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and, as provided in the Certificate of Incorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the "GML"), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on July 22, 2014 in The Daily Freeman, a newspaper of general circulation available to the residents of the Village of New Paltz, Ulster County, New York, (B) caused notice of the Public Hearing to be posted on July 22, 2014 on a public bulletin board located at (1) the Village Hall of the Village of New Paltz located at 25 Plattekill Avenue in the Village of New Paltz, Ulster County, New York, (2) the New Paltz Town Hall located at 1 Veteran Drive in the Town of New Paltz, Ulster County, New York, and (3) on the Issuer's website, (C) caused notice of the Public Hearing to be mailed on July 22, 2014 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is located, (D) conducted the Public Hearing on August 5, 2014 at 7:00 o'clock, p.m., local time at the Village Hall of the Village of New Paltz located at 25 Plattekill Avenue in the Village of New Paltz, Ulster County, New York, and (E) prepared a report of the Public Hearing (the "Public Hearing Report") which fairly summarized the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the board of directors of the Issuer and to the County Executive of Ulster 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 Issuer must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, to aid the Issuer in determining whether the Project may have a significant effect upon the environment, the Company has prepared and submitted to the Issuer an environmental assessment form (the "EAF") with respect to the Project, a copy of which EAF was presented to and reviewed by the Issuer at this meeting and a copy of which is on file at the office of the Issuer; and

WHEREAS, pursuant to SEQRA, the Issuer has examined the EAF in order to make an determination as to the potential environmental significance of the Project; and

WHEREAS, the Project appears to constitute a "Type II action" (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF ULSTER COUNTY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Issuer has received copies of, and has reviewed, the Application and the EAF submitted to the Issuer by the Company with respect thereto (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Company to the Issuer at this meeting, and based further upon the Issuer’s knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations with respect to the Project: The Project consists of the refinancing of existing debt.

Section 2. Based upon the foregoing, the Issuer makes the following findings and determinations with respect to the Project:

(A) Pursuant to Section 617.5(c)(23), the Project is a “Type II action” (as said quoted term is defined in the Regulations); and

(B) Therefore, the Issuer hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations.

Section 3. The Chairman, Vice Chairman and/or Director, Office of Economic Development of the Issuer is hereby directed to file a copy of this Resolution with respect to the Project in the office of the Issuer.

Section 4. This Resolution shall take effect immediately.

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

Michael Horodyski	VOTING	_____
John Morrow	VOTING	_____
Robert Kinnin	VOTING	_____
James Malcolm	VOTING	_____
Floyd Lattin	VOTING	_____
John Livermore	VOTING	_____
Mary Sheeley	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Ulster County Capital Resource Corporation (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Board of Directors of the Issuer, including the Resolution contained therein, held on August 13, 2014 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 contained 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 members of the Board of 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 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 13th day of August, 2014.

(Assistant) Secretary

(SEAL)