

SARATOGA COUNTY CAPITAL RESOURCE CORP.
January 9, 2018
Stewart's Office Plaza, Route 9, Malta, NY 12020

SKIDMORE COLLEGE PROJECT PUBLIC HEARING MINUTES

Members Present: Chairman Anita Daly, Arthur Johnson, Valerie Muratori, Matthew Veitch,

Staff Present: Raymond O'Connor, CEO; Jeffrey Reale, CFO; Christopher Canada, Bond Counsel; James Carminucci, Counsel; Lori Eddy, administrative secretary.

Guests: Kyle Bernard, Comptroller, Skidmore College, Joe Scott, Bond Counsel.

Absent: Ann Frantti, John Wyatt, Eugene Zeltmann.

Chairman Daly called the public hearing to order at 4:00 p.m.

Chairman Daly stated the following regarding the Skidmore College bond issue:

Good afternoon. I am Anita Daly, the Chairperson of the Saratoga County Capital Resource Corporation, in connection with the project which is the subject of today's public hearing. Today the issuer is holding a public hearing to allow citizens to make a statement for the record relating to the involvement of the issuer with the proposed project, for the benefit of Skidmore College, a New York not-for-profit education corporation. The project consists of the following:

A) The construction and acquisition of a new, three floor, approximately 60,000 square foot addition to the College Center for Integrated Sciences North Wing containing classroom, laboratory and office space on the College's campus located at 815 North Broadway in the City of Saratoga Springs in Saratoga County, New York and the acquisition and installation of various machinery and equipment therein and thereon referred to as the project facility. All of the foregoing constitutes the educational facility and either directly, or indirectly related activities for use by the College.

B) The financing of all or a portion of the costs of the foregoing by the issuance of 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 proposed project together with the necessary incidental costs in connection therewith presently estimated to be \$35,000,000.00, in any event, not to exceed \$45,000,000.00.

C) The payment of all or a portion of the costs incidental to the issuance of the obligation including issuance costs of the obligations and any reserve funds as may be necessary to secure the obligations.

D) The making of a loan of the proceeds of the obligations to the College, or other such persons as may be designated by the College and agreed upon by the issuer.

This hearing is required under section 147 of the Internal Revenue Code and amended pursuant to section 147 of the Code. If any portion of the obligations is intended to be issued as federally tax exempt obligations, the interest on will be excluded from the gross income of the holders thereof for federal income tax purposes. Prior to issuing such portion of the obligations, the issuer must hold a public hearing on the nature and location of the facility in the issuance of the obligations, and

E) Thereafter, the Board of Supervisors of Saratoga County, New York must approve the issuance of the obligations.

The purpose of this hearing is to solicit public comment. We are not here to answer questions, although in the course of the hearing, we will consider questions if we have the information to answer the questions and there is sufficient time to consider each question. The Chief Executive Officer of the issuer caused notice of the public hearing to be published on December 21, 2017 in the Daily Gazette, a newspaper of general circulation available to the residents of the City of Saratoga Springs, New York. Copies of the public hearing are available. By way of the operating rules, if you wish to make a public comment, please raise your hand, I will call on you, you will identify yourself for the record and make your comment. We will ask that you keep your comment to under three minutes. Now, before formally beginning the public hearing, I am going to suggest waiving the full reading of the public hearing notice unless there is an objection and instead, request that the full text be inserted into the public record. The comments received today at the public hearing will be presented to the members of the Board of Directors of the issuer at or prior to the meeting at which the members of the issuer will consider whether to approve the undertaking of the project by the issuer and the issuance of the obligations by the issuer. The comments received today at this public hearing will be presented to the Board of Supervisors. I will now introduce Mr. Kyle Bernard who is operating on behalf of the College who will described the proposed project in further detail.

Mr. Kyle Bernard stated that they had previously circulated a summary of the project, 60,000 square foot science center, labs, classroom space and the like. \$67,500,000.00, they are looking to borrow \$35,000,000.00 on that proceeds basis. They very much appreciate the support.

Chairman Daly stated she will now open the hearing for comment. For the record, please state your name and indicate your comments on the project. Please keep your comments to three minutes. If you have any comments that mirror those of somebody else who has already spoken, please relinquish them so all people can speak. Chairman Daly asked if there is anyone wishing to be heard. Hearing none, Chairman Daly asked for a motion to close the public hearing.

A motion to close the public hearing on the Proposed Project for Skidmore College was made by Mr. Johnson, seconded by Mr. Veitch and the public hearing was adjourned at 4:10 p.m.

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given by Saratoga County Capital Resource Corporation (the "Issuer") that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and, as required by the Issuer's certificate of incorporation, Section 859-a of the General Municipal Law of the State of New York will be held by the Issuer on the 9th day of January, 2018 at 4:00 o'clock p.m. local time, 2911 Route 9, Malta, Saratoga County, New York, in connection with the following matters:

Skidmore College, a New York not-for-profit education corporation (the "College"), 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 College, said Project consisting of the following: (A) (1) the construction and acquisition of a new 3-floor, approximately 60,000 square foot addition to the College's Center for Integrated Sciences North Wing containing classroom, laboratory and office space (the "Facility") on the College's campus located at 815 North Broadway in the City of Saratoga Springs, Saratoga County, New York (the "Land") and (2) the acquisition and installation of various machinery and equipment therein and thereon (the "Equipment") (the Land, the Facility and the Equipment being hereinafter referred to as the "Project Facility"), all of the foregoing to constitute an educational facility and other directly and indirectly related activities for use by the College; (B) the financing of all or a portion of the costs of the foregoing by the issuance of 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, presently estimated to be \$35,000,000 and in any event not to exceed \$45,000,000 (the "Obligations"); (C) the payment of all or a portion of the costs incidental to the issuance of the Obligations, including issuance costs 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 College or such other person as may be designated by the College and agreed upon by the Issuer.

The Issuer is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Obligations, (C) to use the proceeds of the Obligations to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Issuer with respect to the Project in the office of the County Clerk of Saratoga County, New York or elsewhere, and (2) exemption from deed transfer taxes on any real estate transfers with respect to the Project, if any.

If issuance of the Obligations is approved, interest on the Obligations will not be excludable from gross income for federal income tax purposes unless (A) 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 Obligations is approved by the Board of Supervisors of Saratoga County, New York (the "County Board of Supervisors") after the Issuer has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; and (B) pursuant to Section 145(a) of the Code, all property which is to be provided by the net proceeds of the Obligations is to be owned by a Section

501(c)(3) organization or a governmental unit and at least ninety-five percent (95%) of the net proceeds of the Obligations are used with respect to (1) state or local governmental units and/or (2) the activities of Section 501(c)(3) organizations which do not constitute “unrelated trades or businesses” (as defined in Section 513(a) of the Code) with respect to such Section 501(c)(3) organizations.

If the Issuer determines to proceed with the Project and the issuance of the Obligations, (A) the proceeds of the Obligations will be loaned by the Issuer to the College pursuant to a loan agreement (the “Agreement”) requiring that the College or its designee make payments equal to debt service on the Obligations and make certain other payments to the Issuer and (B) the Obligations will be a special obligation of the Issuer payable solely out of certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Obligations. THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR SARATOGA COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR SARATOGA COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Issuer has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) regarding the potential environmental impact of the Project.

The Issuer will at said time and place hear all persons with views on the location and nature of the proposed Project, the financial assistance being contemplated by the Issuer in connection with the proposed Project or the proposed plan of financing the proposed Project by the issuance from time to time of the Obligations. A copy of the Application filed by the College with the Issuer with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Issuer. A transcript or summary report of the hearing will be made available to the members of the board of directors of the Issuer and to the County Board of Supervisors. Approval of the issuance of the Obligations by Saratoga County, New York, acting through the County Board of Supervisors, is necessary in order for the interest on the Obligations to qualify for exemption from federal income taxation.

Additional information can be obtained from, and written comments may be addressed to: Raymond O’Conor, Chief Executive Officer, Saratoga County Capital Resource Corporation, 50 West High Street, Ballston Spa, New York 12020; Telephone: (518) 435-5903.

Dated: December 20, 2017.

SARATOGA COUNTY CAPITAL
RESOURCE CORPORATION

BY: _____
Raymond O’Conor
Chief Executive Officer