
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “**Code**”) will be held by the Town of Brookhaven Local Development Corporation (the “**Issuer**”) on the 18th day of May, 2020, at 10:15 a.m., local time, as described below, in connection with the following matters:

Brookhaven Memorial Hospital Medical Center, Inc., 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, and doing business as Long Island Community Hospital (the “**Hospital**”), has submitted a proposal to the Issuer, that the Issuer issue in one or more series as part of a plan of financing its Revenue Refunding Bonds, Series 2020 (Long Island Community Hospital Project) as qualified 501(c)(3) bonds under Section 145 of the Code, in the aggregate principal amount presently estimated to be approximately \$66,000,000 but not to exceed \$85,000,000 (the “**Series 2020 Bonds**”), the proceeds of the Series 2020 Bonds will be loaned to the Hospital and applied to pay, or reimburse the Hospital for paying, the costs of the following hospital facilities and equipment (collectively, the “**Project**”):

- (A) the refinancing of the Town of Brookhaven Industrial Development Agency’s (the “**Agency**”) \$20,000,000 Civic Facility Revenue Refunding Bonds, Series 2006A (Brookhaven Memorial Hospital Medical Center, Inc. Civic Facility) (the “**Series 2006A Bonds**”), the proceeds of which Series 2006A Bonds were used to (a) advanced refund the Agency’s \$20,000,000 Civic Facility Revenue Bonds, Series 2000A (Brookhaven Memorial Hospital Medical Center, Inc. Civic Facility) (the “**Series 2000A Bonds**”), the proceeds of which Series 2000A Bonds were used for (i) the construction, renovation, equipping and expansion of an approximately 28,000 square foot emergency department (the “**Emergency Department**”) located on the Hospital’s 35-acre main hospital campus at 101 Hospital Road, in Patchogue, Town of Brookhaven, Suffolk County, New York (the “**Main Campus**”), (ii) the refinancing of all or a portion of a taxable loan entered into on July 20, 1999 from The Dime Savings Bank of New York to the Hospital, with a principal balance of approximately \$6,300,000, which taxable loan financed renovations at the Hospital’s outpatient facility located at 101-147 West Main Street, in the Village of Patchogue, Town of Brookhaven, Suffolk County, New York (the “**Outpatient Facility**”) and refinanced a tax exempt loan from the Dormitory Authority of the State of New York (“**DASNY**”) to the Hospital in 1974 that financed or refinanced certain improvements at the Main Campus including an additional two stories on the Hospital’s existing “T” wing, construction of a new “North” Wing, renovation of existing areas of the Hospital, the expansion of existing service areas, the construction of a sewage treatment plant, and certain other capital expenditures all relating to the Hospital’s Main Campus (the “**Miscellaneous Main Campus Improvements and Equipment**”)

and, together with the Emergency Department and the Outpatient Facility, the “**2000 Facility**”); (iii) funding a debt service reserve fund; and (iv) paying all costs of the issuance of the Series 2000A Bonds and other costs incidental thereto (collectively, the “**2000 Project**”); and (b) pay a portion of the costs of issuance of the Series 2006A Bonds (collectively, the “**2006 Project**”); and

- (B) the refinancing of the Issuer’s \$17,500,000 Revenue Bonds, Series 2014A (Brookhaven Memorial Hospital Medical Center, Inc. Project) (the “**Series 2014A Bonds**”) and its \$17,500,000 Revenue Bonds, Series 2014B (Brookhaven Memorial Hospital Medical Center, Inc. Project) (the “**Series 2014B Bonds**”, and together with the Series 2014A Bonds, the “**Series 2014 Bonds**”), the proceeds of which Series 2014 Bonds were used for (a) the acquisition, development, construction, renovation, installation, equipping, improvement and upgrade of the Hospital and the Hospital’s campus facilities located on the Main Campus, including, but not limited to, design, development, construction and equipping of (i) a modular unit to provide catheterization and other clinical or support services, (ii) the Knapp Cardiac Center, a three-story, approximately 60,000-square-foot addition to the existing main hospital that will house a centralized suite for cardiac catheterization labs, a four-room operating suite and a post-anesthesia care unit, (iii) a new lobby entrance and common area, as well as an approximately 12,500-square-foot mechanical penthouse, and (iv) the renovation of certain space in the existing main hospital building in connection with the new construction and the relocation of certain services (collectively, the “**2014 Hospital Improvements**”), all for use by the Hospital in the providing of inpatient and ambulatory health care services to the community; (b) the refinancing of two term loans held by TD Bank, N.A., with a then outstanding balance of \$12,479,100.16, the proceeds of which were used to pay the costs of (i) constructing and equipping a one-story, approximately 5,500-square-foot sewer treatment plant and (ii) upgrading the Hospital’s electrical system, all on the Main Campus (the “**2014 Refinanced Improvements**”, and together with the 2014 Hospital Improvements, the “**2014 Facility**”); and (c) the payment of all or a portion of the costs incidental to the issuance of the Series 2014 Bonds, including issuance costs of the Series 2014 Bonds and capitalized interest (collectively, the “**2014 Project**”); and
- (C) the refinancing of multiple Capital Equipment Leases totaling not more than \$7,000,000, the proceeds of which were used to purchase critical pieces of hospital equipment including IT hardware (incl. processors, memory kits, external hard drives, computers, etc.), IT software (incl. software upgrades, software licenses, email encryption licenses, data protection licenses, etc.), batteries, ph recorder, vacuum pumps, new HVAC systems, MRI machine (and accompanying equipment), CAT scanners, multiple patient monitors, multiple ventilators, telemetry upgrades, and other medical equipment all located on the Hospital’s Main Campus (collectively, the “**Capital Lease Equipment**”); and

- (D) the financing, refinancing, or reimbursement of approximately \$15,000,000 of the acquisition, construction, renovation, installation, equipping, improvements, or upgrade costs on the Hospital's Main Campus including, but not limited to, (i) interior renovations, including renovations to lighting, flooring and doors, the HVAC system, electrical systems, storage facilities, the Hospital's sewage treatment plant, and the Hospital's power plant, as well as renovations to the Hospital's Behavioral Health Areas to comply with certain regulatory requirements and any renovations necessary to install and operate the 2020 Equipment (defined below) (the "**2020 Improvements**"), and (ii) the acquisition and installation of certain equipment, including information technology and computer equipment; beds, stretchers, and other furniture; imaging, diagnostic, blood bank, laboratory, and other medical and surgical equipment (the "**2020 Equipment**" and together with the Capital Lease Equipment, and the 2020 Improvements, the "**2020 Facility**", and together with the 2000 Facility and the 2014 Facility, the "**Facility**"); and
- (E) paying all or a portion of the costs incidental to the issuance of the Series 2020 Bonds, including issuance costs of the Series 2020 Bonds and any reserve funds as may be necessary to secure the Series 2020 Bonds.

The maximum amount of proceeds of the Series 2020 Bonds allocable to the Main Campus is \$76,250,000. The maximum amount of proceeds of the Series 2020 Bonds allocable to the Outpatient Facility is \$5,000,000.

The proceeds of the Series 2020 Bonds will be loaned by the Issuer to the Hospital pursuant to the terms of a certain loan agreement (the "**Loan Agreement**") between the Issuer and the Hospital to pay the costs of the Project. The Hospital will be initial owner and principal user of the Facility. The Hospital and the State University of New York acting through Stony Brook University Hospital ("**Stony Brook University Hospital**") have entered in a letter of intent to explore a possible affiliation between them. If the affiliation is completed, it is anticipated that the Hospital will lease the Facility to Stony Brook University Hospital. The Series 2020 Bonds will be special obligations of the Issuer payable solely from loan payments made by the Hospital to the Issuer pursuant to the Loan Agreement and certain other assets of the Hospital pledged to the repayment of the Series 2020 Bonds. The Series 2020 Bonds shall not be a debt of the State of New York or any political subdivision thereof, including the Town of Brookhaven, and neither the State of New York nor any political subdivision thereof, including the Town of Brookhaven, shall be liable thereon.

Due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and in accordance with Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended by Executive Order 202.14, issued on April 7, 2020, suspending the Open Meetings Law, and Executive Order 202.15 issued on April 9, 2020 permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Issuer will hold a hearing remotely by telephone conference call on the proposed financing and transaction set forth above, at the date and time listed above. Interested members of the public are invited to participate in the conference call for the public hearing by dialing [\(877\) 870-5858](tel:877-870-5858) (Toll Free) and entering the following password: 495371#. In order to facilitate

registration of participants, it is requested that members of the public call the above number no later than five minutes before start time. If a member of the public is having difficulty accessing the telephone conference call, they should contact the Brookhaven LDC at (631) 451-6563 for assistance.

A representative of the Issuer will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the issuance of the Series 2020 Bonds, the granting of other financial assistance contemplated by the Issuer or the location or nature of the Project. For those members of the public desiring to review the application for financial assistance before the date of the hearing, copies of these materials will be made available at www.brookhavenldc.org starting on or about May 9, 2020 at 9:00 a.m.. Persons desiring to make a brief statement during the conference call regarding the proposed transactions should give prior notice to the Issuer by contacting The Town of Brookhaven Local Development Corporation no later than 5 p.m. the day before the hearing. Written comments may be submitted to the Issuer to the following email addresses: lmulligan@brookhavenny.gov and jlinse@brookhavenny.gov

Minutes of the hearing will be made available to Hon. Edward P. Romaine, Supervisor of the Town of Brookhaven. Approval of the issuance of the Series 2020 Bonds by the Town of Brookhaven, through Hon. Edward P. Romaine, is necessary in order for the interest on the Series 2020 Bonds to be excluded from gross income for federal income tax purposes.

Dated: May 9, 2020

**TOWN OF BROOKHAVEN LOCAL
DEVELOPMENT CORPORATION**

By: Lisa MG Mulligan
Title: Chief Executive Officer