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TOWN OF BROOKHAVEN
LOCAL DEVELOPMENT CORPORATION

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SUPPLEMENTAL PUBLIC HEARING
HELD BY CONFERENCE CALL
RE: ACTIVE RETIREMENT COMMUNITY, INC.
d/b/a JEFFERSON'S FERRY

-----x

October 20, 2020
10:00 a.m.

TRANSCRIPT OF PROCEEDINGS

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A P P E A R A N C E S :

TOWN OF BROOKHAVEN
LOCAL DEVELOPMENT CORPORATION
One Independence Hill
Farmingville, New York 11738

BY: LISA M.G. MULLIGAN,
CHIEF EXECUTIVE OFFICER

ALSO PRESENT: TERANCE V. WALSH, ESQ.,
NIXON PEABODY

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MS. MULLIGAN: It is ten a.m. on October 20, 2020. This is the Brookhaven LDC supplemental public hearing for Jefferson's Ferry. This is Lisa Mulligan. I am going to read the public hearing notice for the record.

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 20th day of October, 2020, at 10:00 a.m., local time, as described below, in connection with the following matters:

Pursuant to Revenue Procedure 2020-21, a teleconference hearing accessible to the residents of the approval governmental unit by calling a toll-free number is treated as held in a location that, based on the facts and circumstances, is convenient for residents of the approving governmental unit for purposes of the public hearing requirement in Section 147(f) and the Regulations provided that the teleconference is held between May 4, 2020 and December 31, 2020.

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On June 17, 2020, the Issuer held such a teleconference public hearing accessible to the residents of the Town of Brookhaven by toll-free number and upon proper notice in compliance with the Code. The Issuer hereby gives notice of a public hearing on the date and time provided above, and accessible by toll-free teleconference at the number and passcode provided herein, to reflect modifications of the description of the Project (as defined herein).

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Active Retirement Community, Inc. d/b/a Jefferson's Ferry, 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 (the "**Institution**"), 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 Bonds, Series 2020 (Active Retirement Community, Inc. d/b/a Jefferson's Ferry Project), as qualified 501(c)(3) bonds under Section 145 of the Code, in the aggregate principal amount presently

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expected to be \$100,000,000 but not to exceed

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\$125,000,000 (the "**Series 2020 Bonds**"), for

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the benefit of the Institution for the purpose

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of providing funds in an amount sufficient

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for:

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(A) The financing or refinancing of the

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renovation, construction and equipping of

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"Jefferson's Ferry", a New York State

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not-for-profit Continuing Care Retirement

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Community authorized under Article 46 of the

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New York Public Health Law, owned and operated

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by the Institution and located at One

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Jefferson Ferry Drive, South Setauket, New

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York 11720-2645 on an approximately 50-acre

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site (the "**Land**"), including, but not limited

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to: (i) the construction of a new,

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approximately 28,520 square foot building

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containing approximately twenty (20) assisted

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living memory care suites, (ii) the renovation

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of approximately 14,022 square feet of the

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existing approximately 46,267 square foot

23

assisted living building, (iii) the

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construction of an approximately 4,917 square

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foot addition to, and the renovation of

1
2 approximately 9,910 square feet of the
3 existing approximately 35,626 square foot
4 skilled nursing building, (iv) the
5 construction of an approximately 22,802 square
6 foot addition to, and the renovation of
7 approximately 25,007 square feet of the
8 existing 40,713 square foot community center,
9 (v) the construction of an approximately
10 51,157 square foot addition to the existing
11 163,043 square foot independent living
12 building located at the north side of the
13 Facility (as defined below), (vi) the
14 construction of an approximately 51,157 square
15 foot addition to the existing 148,832 square
16 foot independent living building located at
17 the south side of the Facility, and (vii) the
18 construction of a new, approximately 11,350
19 square foot independent living building to be
20 located on the west side of the Facility
21 (which new building, together with the
22 additions and new buildings described in
23 subparagraphs (v) and (vi) hereto, shall
24 contain up to seventy-five (75) new
25 independent living units), (viii) the

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2 acquisition and installation of machinery and
3 equipment in connection with the foregoing,
4 for a total of approximately 169,903 square
5 feet of new buildings and additions to
6 existing buildings, and the renovation of
7 approximately 48,939 square feet of space in
8 the existing approximately 488,023 square foot
9 continuing care retirement community for the
10 benefit of eligible senior citizens, to
11 consist (when completed) of up to
12 approximately three-hundred twenty-three (323)
13 independent living units (including
14 two-hundred ninety-five (295) apartments and
15 twenty-eight (28) cottages), sixty-one (61)
16 assisted living apartments, sixty (60) skilled
17 nursing facility beds, twenty (20) assisted
18 living memory care suites, common areas,
19 dining facilities, nurses' stations,
20 rehabilitation and treatment facilities,
21 administrative offices and related
22 infrastructure such as roads, sewers,
23 utilities, parking lots, drainage areas, ponds
24 and maintenance facilities (collectively, the
25 "**Facility**"), and (ix) renovations to and

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equipping of the existing theatre, renovation

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to the existing multi-purpose rooms to convert

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to lecture hall, renovate existing basement

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which is used for maintenance, housekeeping

6

and resident storage, renovation to outdoor

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patios and gazebos, renovations to and

8

equipping of the existing independent living

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units, renovations to and equipping of the

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existing skilled nursing building, renovations

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to and equipping of the existing assisted

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living building and construction, renovation

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and equipping of any other projects located at

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the Facility;

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(B) the payment of all or a portion of

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the costs incidental to the issuance of the

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Series 2020 Bonds, including issuance costs of

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the Series 2020 Bonds, capitalized interest

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and any reserve funds as may be necessary to

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secure the Series 2020 Bonds ((A) and (B) are

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referred to collectively as, the "**Project**").

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The proceeds of the Series 2020 Bonds

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will be loaned by the Issuer to the

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Institution pursuant to the terms of a certain

25

loan agreement (the "**Loan Agreement**") between

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the Issuer and the Institution to pay the

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costs of the Project. The Institution will be

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initial owner and principal user of the

5

Facility. The Series 2020 Bonds will be

6

special obligations of the Issuer payable

7

solely from loan payments made by the

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Institution to the Issuer pursuant to the Loan

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Agreement and certain other assets of the

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Institution pledged to the repayment of the

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Series 2020 Bonds. The Series 2020 Bonds

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shall not be a debt of the State of New York

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or any political subdivision thereof,

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including the Town of Brookhaven, and neither

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the State of New York nor any political

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subdivision thereof, including the Town of

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Brookhaven, shall be liable thereon.

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In addition to the issuance of the

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Series 2020 Bonds, the Issuer contemplates

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that it will provide financial assistance to

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the Institution in connection with the Project

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in the form of exemptions from mortgage

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recording taxes in connection with the

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financing or subsequent refinancing of the

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Project, consistent with the policies of the

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2

Issuer, to be more particularly described in a

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Bond Resolution to be adopted by the Issuer

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prior to the issuance of the Series 2020

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Bonds.

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Due to the Novel Coronavirus (COVID-19)

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Emergency, State and Federal bans on large

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meetings or gatherings and in accordance with

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Governor Cuomo's Executive Order 202.1 issued

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on March 12, 2020, as amended to date,

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permitting local governments to hold public

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hearings by telephone and video conference

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and/or similar device, the Issuer will hold a

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hearing remotely by telephone conference call

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on the proposed financing and transaction set

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forth above, at the date and time listed

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above. Interested members of the public are

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invited to participate in the conference call

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for the public hearing by dialing

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1-877-870-5858 (Toll Free) and entering the

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following password: 3500483#. In order to

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facilitate registration of participants, it is

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requested that members of the public call the

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above number no later than five minutes before

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start time. If a member of the public is

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having difficulty accessing the telephone

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conference call, they should contact

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(631)451-6563 for assistance.

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A representative of the Issuer will, at

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the above-stated time and place, hear and

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accept written comments from all persons with

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views in favor of or opposed to either the

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issuance of the Series 2020 Bonds, the

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granting of other financial assistance

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contemplated by the Issuer or the location or

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nature of the Project. For those members of

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the public desiring to review the application

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for financial assistance before the date of

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the hearing, copies of these materials are

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available at www.brookhavenldc.org. Persons

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desiring to make a brief statement during the

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conference call regarding the proposed

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transactions should give prior notice to the

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Issuer by contacting The Town of Brookhaven

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Local Development Corporation no later than 5

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p.m. the day before the hearing. Such notice

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of intention to make a brief statement and any

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written comments may be submitted to the

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Issuer at the following emails addresses:

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Lmulligan@brookhavenny.gov and

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jlinse@brookhavenny.gov.

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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.

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Dated: October 13, 2020

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TOWN OF BROOKHAVEN

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LOCAL DEVELOPMENT CORPORATION

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By: Lisa MG Mulligan

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Title: Chief Executive Officer

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Would anyone like to make comment on this project?

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(No response.)

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MS. MULLIGAN: Hearing none, I'm going to leave this public hearing open for about 20 more minutes in case anyone would like to make comment.

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(Pause.)

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MS. MULLIGAN: It is 10:20 a.m. on
October 20, 2020. This is the Town of
Brookhaven Local Development Corporation
public hearing for Jefferson's Ferry.

Would anyone like to make comment?

(No response.)

MS. MULLIGAN: Hearing none, I'm going
to leave this public hearing open for ten more
minutes.

(Pause.)

MS. MULLIGAN: It's 10:30 a.m. on
October 20, 2020. This is the Town of
Brookhaven Local Development Corporation
public hearing for Jefferson's Ferry.

Hearing no comment, I'm going to close
this public hearing. Thank you.

(Time noted: 10:30 a.m.)

I, JOANN O'LOUGHLIN, a Notary Public
for and within the State of New York, do hereby
certify that the above is a correct transcription
of my stenographic notes.

JOANN O'LOUGHLIN