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**CITY COUNCIL  
CITY OF AUBURN, NEW YORK**

October 8, 1998

COUNCIL RESOLUTION #161 OF 1998

**RESOLUTION APPROVING THE ISSUANCE OF CERTAIN  
BONDS BY AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY**

*MAYOR* Councilor MASON offered the following resolution; which was seconded by  
Councilor DEANGELIS

WHEREAS, pursuant to the provisions of the Auburn Industrial Development Authority Act, Chapter 915 of the 1969 Laws of New York, constituting Title 15 of Article 8 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of New York, as amended (the "Act"), the City Council of the City of Auburn, New York (the "City Council") has heretofore appointed the members of the Auburn Industrial Development Authority (the "Authority"); and

WHEREAS, to accomplish its stated purposes, the Authority is authorized and empowered under the Act to issue its Industrial Development Revenue Bonds to finance the cost of acquisition, construction and installation of one or more "projects" (as defined in the Act), to acquire, construct and install said projects or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Bluefield Manor Housing , Inc. (the "Company") presented an application (the "Application") to the Authority, a copy of which is on file at the office of the Authority, requesting that the Authority consider undertaking to issue its industrial development notes and/or bonds in one or more issues or series in the principal amount of approximately \$5,200,000 in order to finance all or a portion of the cost of the acquisition, construction and equipping of the project described in the following paragraph (the "Project"); and

WHEREAS, the Project consists of the acquisition of approximately 16 acres of land on Bluefield Road in the City of Auburn, New York (the "Land"), the construction of a building totaling approximately 50,000 sq. ft. (the "Building") and installation of certain equipment and furnishings for use as housing facilities primarily designed to be occupied by individuals sixty (60) years of age or older (the "Equipment") (the Land, the Building and the Equipment herein collectively referred to as the "Facility"); and

WHEREAS, the City Council has been advised by the Authority that the Authority proposes to issue, subsequent to the adoption of this resolution, its industrial development revenue notes and/or bonds (the "Bonds") from time to time in principal amount sufficient to fund all or a portion of the cost of acquiring, constructing and equipping the Facility, together

with incidental costs in connection therewith, which principal amount is presently estimated to be approximately \$5,200,000; and

WHEREAS, the Company has requested that interest on the Bonds be treated by the federal government as exempt from federal income taxation pursuant to Sections 103 and 145(a)(1) of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, interest on the Bonds will not be federally tax-exempt unless the issuance of the Bonds shall be approved by this City Council after the Authority has conducted a public hearing on the nature and location of the Facility and the plan of financing the Facility by the issuance from time to time of the Bonds following reasonable public notice; and

WHEREAS, on October 8, 1998, preceding this meeting, the Authority held a public hearing to consider both the nature and location of the proposed Facility and the plan of financing said Facility by the issuance from time to time of the Bonds, and a record of said public hearing has been made available to each member of this City Council prior to this meeting; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council desires to allow the interest of the Bonds to be exempt from federal income taxation; and

WHEREAS, the City Council has received notice from the Authority that the Project will not have a "significant impact on the environment" within the meaning of Article 8 of the Environmental Conservation Law of the State of New York; and

WHEREAS, Section 2322 of the Public Authorities Law of the State of New York specifically provides that neither the Bonds nor any other obligation of the Authority shall be a debt of the City of Auburn, New York, the municipality for whose benefit the Authority was established, nor shall the City of Auburn, New York be liable thereon;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Auburn, New York as follows:

Section 1.

For the sole purpose of qualifying the interest payable on the Bonds for exemption from federal income taxation pursuant to the provisions of Sections 103 and 145(a)(1) of the Internal Revenue Code of 1986 (the "Code"), the City Council, as the elected legislative body of the City of Auburn, New York, hereby approves the issuance by the Authority of the Bonds, provided that the Bonds, and the premium (if any) and interest thereon, shall be special obligations of the Authority and shall never be a debt of the State of New York, the City of Auburn, New York or any political subdivision thereof (other than the Authority), and neither

the State of New York, the City of Auburn, New York nor any political subdivision thereof (other than the Authority) shall be liable thereon.

Section 2.

No amendment, rescission or modification of this resolution shall be effective until five (5) days following the date on which a certified copy of said resolution amending, rescinding or modifying this resolution shall be filed with the Authority at its main office, currently located at Memorial City Hall, Auburn, New York.

Section 3.

The resolution was duly adopted by a vote on roll call and shall take effect immediately.

AYES

NOES

CARRIED AND ADOPTED

	<u>AYES</u>	<u>NOES</u>
Councillor Mason	✓	
Councillor McNabb	✓	
Councillor Hunter		

State of New York, County of Cayuga } ss.  
City of Auburn, City Clerk's Office

I, CHARLES F. SAVAGE, City Clerk of the City of Auburn, do hereby certify that the annexed is a true Copy of a Resolution adopted at a regular meeting of the Council of the City of Auburn, held on the 8th day of October, 19 98 and of the whole thereof.

In Testimony Whereof: I have hereunto set my hand and affixed the corporate seal of said City, this 9th day of October 19 98

*Charles F. Savage*  
City Clerk.