

BOND RESOLUTION

**DUTCHESS COUNTY LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS, SERIES 2018
(THE CULINARY INSTITUTE OF AMERICA PROJECT)**

A special meeting of the Board of Directors of Dutchess County Local Development Corporation (the “**Issuer**”) was convened in public session in the offices of the Issuer located at Three Neptune Road, Town of Poughkeepsie, Dutchess County, New York on June 20, 2018 at 8:00 o’clock a.m., local time.

The meeting was called to order by the 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: Charles Daniels III, Chairman
Mark Doyle, Secretary/Treasurer
Donald R. Sagliano
Alfred D. Torreggiani

ABSENT: Timothy Dean, Vice Chairman
Stacey M. Langenthal

ALSO PRESENT: Sarah Lee, Chief Executive Officer
Marilyn Yerks, Chief Financial Officer
Donald Cappillino, Counsel
Elizabeth A. Cappillino, Counsel

The following resolution was offered by Mark Doyle, and seconded by Alfred D. Torreggiani, to wit:

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY BY DUTCHESS COUNTY LOCAL DEVELOPMENT CORPORATION OF ITS TAX-EXEMPT REVENUE BONDS, SERIES 2018 (THE CULINARY INSTITUTE OF AMERICA PROJECT) IN THE AGGREGATE PRINCIPAL AMOUNT PRESENTLY ESTIMATED TO BE \$30,000,000 BUT NOT TO EXCEED \$35,000,000 AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND INSTRUMENTS IN CONNECTION THEREWITH.

RECITALS

WHEREAS, the Issuer was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “**Enabling Act**”); and pursuant to the provisions of the Enabling Act and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the County Legislature of Dutchess County, New York (the “**County**”) adopted a resolution on

April 12, 2010 (A) authorizing the incorporation of the Issuer under the Enabling Act, and (B) appointing the initial members of the Board of Directors of the Issuer; and in April, 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, The Culinary Institute of America (the "**Institution**"), a State of New York not-for-profit education corporation, exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), has presented an application (the "**Application**") to the Issuer, which application has requested that the Issuer consider undertaking a project (the "**Project**") for the benefit of the Institution consisting of the issuance of tax-exempt bonds to be used as follows:

(a) The refunding of the outstanding principal amount of the Dormitory Authority of the State of New York's The Culinary Institute of America Insured Revenue Bonds, Series 2004D issued for the benefit of the Institution in the original principal amount of Nineteen Million and 00/100 Dollars (\$19,000,000) (the "**Series 2004D Bonds**"), the proceeds of which Series 2004D Bonds were used to finance all or a portion of the cost of acquiring, constructing, renovating, furnishing and/or equipping or otherwise providing for (i) the construction of a multi-level parking structure to provide approximately 150 spaces for guest parking and a rooftop landscaped terrace, (ii) the construction of an approximately 23,000 square foot two-story addition to The J. Willard Marriott Continuing Education Center to house an expansion of the Admissions Office and (iii) the renovation, equipping and repair of, and infrastructure improvements to, various facilities located throughout the Institution's property located at 1946 Campus Drive, Hyde Park, New York 12583 (the "**Campus**") and owned and operated by the Institution;

(b) The refunding of the outstanding principal amount of the Dormitory Authority of the State of New York's The Culinary Institute of America Insured Revenue Bonds, Series 2006 issued for the benefit of the Institution in the original principal amount of Fifteen Million One Hundred Twenty-Five Thousand and 00/100 Dollars (\$15,125,000) (the "**Series 2006 Bonds**"), the proceeds of which Series 2006 Bonds were used to finance all or a portion of the cost of acquiring, constructing, renovating, furnishing and/or equipping or otherwise providing for the construction of two 3-story student townhouses,

each with approximately 25,000 square feet and approximately 73 beds, and the reconfiguration of roadways, sidewalks, landscaping and lighting on the Campus and owned and operated by the Institution;

(c) Funding any debt service reserve fund to be pledged to secure the Series 2018 Bonds (as defined below);

(d) Paying certain costs of issuance and other incidental expenses incurred in connection therewith;

(e) Paying redemption premiums, if any, in connection with the Series 2004D Bonds and Series 2006 Bonds and the termination liability incurred by Institution in connection with the termination of certain interest rate swap agreements entered into in connection with the Series 2004D Bonds and the Series 2006 Bonds;

(f) The financing of all or a portion of the costs of the foregoing by the issuance of Tax-Exempt 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, all presently estimated to be Thirty Million and 00/100 Dollars (\$30,000,000) but not to exceed Thirty-Five Million and 00/100 Dollars (\$35,000,000) (the “**Series 2018 Bonds**”); and

(g) The granting of certain other financial assistance with respect to the foregoing, including potential exemptions from mortgage recording taxes (collectively with the Series 2018 Bonds, the “**Financial Assistance**”); and

WHEREAS, the maximum aggregate principal amount of the Series 2018 Bonds is \$35,000,000 and the Issuer has determined hereby (a) to undertake the Project, (b) to finance the Project by issuing, from time to time, the Series 2018 Bonds, (c) to loan the proceeds of the Series 2018 Bonds to the Institution to pay the cost of undertaking the Project, and (d) to provide certain exemptions from taxation with respect to the Project, including a potential exemption from mortgage recording taxes with respect to any documents recorded by the Issuer with respect to the Project in the office of the County Clerk of Dutchess County, New York or elsewhere (collectively, the “**Financial Assistance**”); and

WHEREAS, in response to the receipt by the Issuer of the Application, the Chairman of the Issuer (A) caused a notice of public hearing of the Issuer to hear all persons interested in the Project to be published on May 30, 2018 in the *Poughkeepsie Journal*, a newspaper of general circulation available to the residents of Dutchess County, New York and the Town of Hyde Park; (B) caused a notice of the public hearing to be mailed on May 25, 2018 to the Dutchess County Executive, the Supervisor of the Town of Hyde Park and the Superintendent of the Hyde Park Central School District; (C) conducted the public hearing on June 15, 2018 at 9:00 o’clock, a.m., local time at the Town Hall of the Town of Hyde Park, 4383 Albany Post Road, Hyde Park, New York; and (D) caused a transcript report of the public hearing to be made (the “**Public Hearing Report**”) which fairly reported the views presented at such public hearing and caused a copy 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 Dutchess County, New York (the “**County Executive**”); and

WHEREAS, by resolution adopted by the members of the Board of Directors of the Issuer on May 16, 2018 (the “**Inducement Resolution**”), the Board of Directors of the Issuer determined to proceed with the Project and to enter into a Preliminary Agreement with the Institution (the “**Preliminary Agreement**”) relating to the Project; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “**Regulations**”) and collectively with the SEQR Act, “**SEQRA**”), the Issuer determined in the Inducement Resolution that the Project is a “Type II Action” pursuant to 6 NYCRR §617.5(c)(23) (as such quoted term is used in SEQRA) which will not have a significant effect on the environment and, therefore, that an environmental impact statement is not required to be prepared with respect to the Project; and

WHEREAS, the Issuer will issue the Series 2018 Bonds in the aggregate principal amount presently estimated to be \$30,000,000 but not to exceed \$35,000,000 under this resolution (the “**Bond Resolution**” or the “**Resolution**”), an Indenture of Trust, dated as of July 1, 2018 (the “**Indenture**”), by and between the Issuer and The Bank of New York Mellon, as trustee (the “**Trustee**”) for the holders of the Series 2018 Bonds and any additional bonds issued by the Issuer under the Indenture; and

WHEREAS, also simultaneously with the issuance of the Series 2018 Bonds, the Issuer and the Institution will execute and deliver a Loan Agreement, dated as of July 1, 2018 (the “**Loan Agreement**”) by and between the Issuer and the Institution, pursuant to the terms of which Loan Agreement the Institution will make certain payments to or upon the order of the Issuer, which payments shall include amounts equal to the debt service payments due on the Series 2018 Bonds; and

WHEREAS, pursuant to the terms of the Indenture, the net proceeds of the sale of the Series 2018 Bonds (the “**Bond Proceeds**”) will be deposited into various trust funds held by the Trustee under the Indenture and will be disbursed by the Trustee to pay a portion of the Costs of the Project (as defined in the Indenture of Trust), but only upon satisfaction of the requirements for making such disbursements set forth in the Indenture of Trust and in the Loan Agreement; and

WHEREAS, as evidence of its indebtedness under the Loan Agreement, the Institution will execute a Promissory Note (the “**Promissory Note**”) to the Issuer in the amount of the Series 2018 Bonds, which Promissory Note shall be assigned by the Issuer to the Trustee; and

WHEREAS, to secure the Series 2018 Bonds, the Institution will grant a mortgage lien on and security interest in the Mortgaged Property (as such term is defined in the Indenture) to the Issuer and the Trustee pursuant to a Mortgage and Security Agreement, dated as of July 1, 2018 (the “**Mortgage**”), from the Institution to the Issuer, and the Issuer will assign its rights, title and interest under the Mortgage to the Trustee pursuant to an Assignment of Mortgage and Security Agreement, dated the date of delivery of the Series 2018 Bonds (the “**Assignment**”), from the Issuer to the Trustee; and

WHEREAS, the Series 2018 Bonds will be initially purchased by J.P. Morgan Securities LLC, acting as underwriter for the Series 2018 Bonds (the “**Underwriter**”) pursuant to a Bond Purchase Agreement dated a date to be determined by and between the representative of the Underwriter and the Issuer and approved by the Institution and the Institution will execute and deliver a Letter of Representation dated a date to be determined to the Issuer and the Underwriter (collectively, the “**Bond Purchase Agreement**”); and the Underwriter will utilize a Preliminary Official Statement (the “**Preliminary Official Statement**”) and a final Official Statement (the “**Official Statement**”) in connection with the offering of the Series 2018 Bonds; and the Underwriter also intends to obtain a rating of the Series 2018 Bonds from one or more securities rating agencies; and

WHEREAS, to assist the Underwriter in complying with the requirements of Rule 15c2-12 of the Securities and Exchange Commission, the Institution will execute and deliver to the Underwriters, the Trustee and Digital Assurance Certification, L.L.C. a Continuing Disclosure Agreement, dated as of July 1, 2018 (the “**Continuing Disclosure Agreement**”) relating to the Series 2018 Bonds; and the Series 2018 Bonds will be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository for the Series 2018 Bonds; and

WHEREAS, to demonstrate compliance with the provisions of the Code relating to the issuance of the Series 2018 Bonds, (A) the Issuer will execute a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to the Series 2018 Bonds (the “**Information Return**”) pursuant to Section 149(e) of the Code, and file the Information Return with the Internal Revenue Service; and (B) the Issuer and the Institution will execute a Tax Regulatory Agreement dated the date of delivery of the Series 2018 Bonds (the “**Tax Regulatory Agreement**”) relating to the requirements in Sections 103 and 145 through 150 of the Code relating to the Series 2018 Bonds; and

WHEREAS, the Issuer now desires to (A) authorize or ratify and confirm, (as applicable) the circulation of the Preliminary Official Statement in connection with the marketing of the Series 2018 Bonds, (B) authorize the circulation of the Official Statement in connection with the marketing of the Series 2018 Bonds, and (C) authorize the issuance of the Series 2018 Bonds for the purpose of paying a portion of the Costs of the Project, delegating to the Chairman and/or the Chief Executive Officer of the Issuer authority to determine the final details of the Series 2018 Bonds (the “**Bond Details**”) once the marketing of the Series 2018 Bonds is completed and the Institution has agreed to the Bond Details including, if applicable, the securing of bond insurance from a bond insurer on such terms as the Institution may agree.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF DUTCHESS COUNTY LOCAL DEVELOPMENT CORPORATION, AS FOLLOWS:

Section 1. The Issuer hereby finds and determines that:

(A) By virtue of the Certificate of Incorporation, the Amendment to the Certificate of Incorporation and the Enabling Act, the Issuer has been vested with

all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Enabling Act and to exercise all powers granted to it under the Enabling Act; and

(B) The financing and/or refinancing of the Project through the issuance of the Series 2018 Bonds will relieve and reduce unemployment, promote and provide for additional and maximum employment and better and maintain job opportunities, and thereby lessen the burdens of government; and

(C) The Issuer has previously determined that the actions herein will not have a significant adverse effect upon the environment pursuant to SEQRA; and

(D) It is desirable and in the public interest for the Issuer to issue and sell its Series 2018 Bonds upon the terms and conditions set forth in the Indenture and the Bond Purchase Agreement and as determined by the Chairman and/or the Chief Executive Officer of the Issuer once the marketing of the Series 2018 Bonds is completed and the Institution has agreed to the Bond Details.

Section 2. In consequence of the foregoing, the Issuer hereby determines to: (A) issue the Series 2018 Bonds on the terms and conditions set forth in the Indenture and the Bond Purchase Agreement; (B) sell the Series 2018 Bonds to the initial purchaser thereof pursuant to the terms set forth in the Indenture of Trust and the Bond Purchase Agreement; (C) use the proceeds of the Series 2018 Bonds to make the loan to the Institution for the purpose of paying a portion of the Costs of the Project; (D) authorize the use of the Official Statement in connection with the sale of the Series 2018 Bonds; (E) assign the Mortgage to the Trustee pursuant to the Assignment, and (F) execute any and all related documents, instruments, and certificates.

Section 3. The form and substance of the Loan Agreement, the Indenture of Trust, the Series 2018 Bonds, the Bond Purchase Agreement, the Assignment, the Tax Regulatory Agreement the Preliminary Official Statement, the Official Statement, and any documents necessary and incidental thereto including, but not limited to, any documents approved by counsel to the Issuer (collectively, the “**Issuer Documents**”) are hereby approved.

Section 4. Subject to receipt by the Issuer of the executed certificate from the County Executive indicating that the County Executive has approved the issuance of the Series 2018 Bonds pursuant to, and solely for the purposes of, Section 147(f) of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver to the Trustee for authentication the Series 2018 Bonds in the aggregate principal amount of \$30,000,000 but not to exceed \$35,000,000 or so much thereof as may, in the Certificate of Determination, be determined to be necessary to finance the Costs of the Project, in the form and in the amount and containing the other provisions determined by the Chairman and/or Chief Executive Officer of the Issuer, and the Chairman and/or Chief Executive Officer of the Issuer is hereby authorized to deliver said Series 2018 Bonds to the purchasers thereof against receipt of the purchase price thereof, all pursuant to the Enabling Act and in accordance with the provisions of the Indenture, this Bond Resolution, and the Bond Purchase Agreement, provided that:

(A) The Series 2018 Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 4 shall (1) be issued, executed and delivered at such time as the Chairman and/or the Chief Executive Officer of the Issuer shall determine, and (2) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Series 2018 Bonds, the Indenture and the Bond Purchase Agreement, or as are hereinafter approved by the Chairman and/or the Chief Executive Officer of the Issuer in accordance with Section 5 hereof, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this Bond Resolution.

(B) The Series 2018 Bonds shall be issued solely for the purpose of providing funds to finance (1) the costs of making the Loan for the purpose of Refinancing as described in the Financing Documents (as hereinafter defined) and (2) a portion of the administrative, legal, financial and other expenses of the Issuer in connection with the Loan and the Project and incidental to the issuance of the Series 2018 Bonds.

(C) Neither the members, directors nor officers of the Issuer, nor any person executing the Series 2018 Bonds or any of the Financing Documents (as hereinafter defined) on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2018 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or Dutchess County, New York or any political subdivision thereof, and neither the State of New York, or Dutchess County, New York nor any political subdivision thereof shall be liable thereon.

(D) The Series 2018 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from certain of the revenues and receipts derived from repayment of the loan or from the enforcement of the security provided by the Financing Documents (as hereinafter defined) and the other security pledged to the payment thereof.

Section 5. (A) Upon receipt of advice from counsel to the Issuer that the Preliminary Official Statement is in substantially final form, the Issuer hereby delegates to the Chairman and/or the Chief Executive Officer of the Issuer the authority to (or, as applicable, ratifies and confirms the actions of the Chairman and/or the Chief Executive Officer to) (1) deem the Preliminary Official Statement final (except for the permitted omissions described in paragraph (b)(1) of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended) by executing a certificate to that effect, (2) authorize the Underwriters to circulate the Preliminary Official Statement and (3) execute and deliver any other documents or agreements requested by the Underwriters in connection with the circulation of the Preliminary Official Statement by the Underwriters.

(B) Upon receipt of advice from counsel to the Issuer that the Issuer has received from the Underwriters the results of the initial marketing of the Series 2018 Bonds and has received from the Institution evidence that the Institution has accepted the results of the marketing of the Series 2018 Bonds, the Issuer hereby delegates to the Chairman and/or the Chief Executive Officer of the Issuer the authority to (1) execute and deliver the Bond Purchase Agreement on behalf of the Issuer and (2) determine, on behalf of the Issuer, the final Bond Details.

(C) The Chairman and/or the Chief Executive Officer of the Issuer are hereby authorized, on behalf of the Issuer, to execute and deliver the Issuer Documents and the other documents related thereto (collectively with the Issuer Documents, the “**Financing Documents**”), and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman and/or the Chief Executive Officer shall approve, the execution thereof by the Chairman and/or the Chief Executive Officer to constitute conclusive evidence of such approval including such changes to the Financing Documents as are deemed appropriate by the Chairman and/or the Chief Executive Officer of the Issuer to provide for bond insurance provided by a bond insurer selected by the Institution.

(D) The Chairman and/or the Chief Executive Officer of the Issuer are hereby further authorized, on behalf of the Issuer, to designate any additional authorized representatives of the Issuer.

(E) The Chairman and/or the Chief Executive Officer of the Issuer are hereby further authorized to execute any documentation requested by the Underwriter to indicate the Issuer’s approval of the Preliminary Official Statement and/or the Official Statement.

Section 6. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Bond Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Financing Documents binding upon the Issuer.

Section 7. All actions taken by the Chief Executive Officer of the Issuer in connection with Section 5(A) and (B) of this Bond Resolution, prior to the date of this Bond Resolution, are hereby ratified and confirmed.

Section 8. This Bond Resolution shall take effect immediately and the Series 2018 Bonds are hereby ordered to be issued in accordance with this Bond Resolution.

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

Charles Daniels, III, Chairman	VOTING	“Aye”
Timothy Dean, Vice Chairman	Being	ABSENT
Mark Doyle, Secretary/Treasurer	VOTING	“Aye”
Stacey M. Langenthal	Being	ABSENT
Donald R. Sagliano	VOTING	“Aye”
Alfred D. Torreggiani	VOTING	“Aye”

The foregoing Bond Resolution was thereupon declared duly adopted.

Adopted: June 20, 2018

CERTIFICATION

STATE OF NEW YORK)
) ss.:
COUNTY OF DUTCHESS)

I, the undersigned Secretary of the Dutchess County Local Development Corporation, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Dutchess County Local Development Corporation (the "Issuer"), including the resolution contained therein, held on the 20th day of June, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject in matters therein referred to.

That the Financing Documents and the Series 2018 Bonds are approved by said meeting or as duly approved hereunder.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Issuer had due notice of said meeting and that the meeting was in all respects duly held.

I FURTHER CERTIFY that there was a quorum of the members 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 20th day of June, 2018.



Mark Doyle, Secretary

[SEAL]