



PO Box 840, Harris, NY 12742 | 845.794.1400 September 25, 2019

> Jennifer Flad Executive Director Sullivan County Funding Corporation 548 Broadway Monticello, New York 12701

> > \$67,721,000 Sullivan County Funding Corporation Consisting of

\$60,850,000 Tax-Exempt Revenue Bonds

\$6,871,000 Taxable Revenue Bonds

Series 2019 Tax-Exempt and Taxable Revenue Bonds (The Center for Discovery, Inc.)

Dear Ms. Flad,

The Center for Discovery, Inc. (the "Center" or the "Borrower") is a not-for-profit organization incorporated under the laws of the State of New York. The Borrower's primary purpose is to provide educational training, housing accommodations and specially designed facilities, equipped and operated to meet the physical, mental, intellectual, emotional and social needs of children and adults with intellectual and developmental disabilities. The Center is headquartered in Harris, NY and currently employs over 1,600 individuals and provides services to hundreds of children and adults with severe disabilities from more than twenty (20) counties in the State of New York.

The Borrower is formally applying to the Sullivan County Funding Corporation to be the Issuer for Series 2019 bond issue in which proceeds will be used for the following purposes:

- 1) Financing tax-exempt and taxable basis, of \$61,051,463 for thirty-nine (39) residential, day care, educational, administrative projects and specialty hospital as further detailed in attached Project Listing;
- 2) Funding, on a tax-exempt basis, of \$3,052,600 for working capital;
- 3) Payment of the costs of issuance related to the bonds (together the "2019" Project").

The 2019 Project encapsulates the innovation and growth of the Center over the past several years. Projects include a specialty hospital, expanded educational programs and residential facilities for Individuals with developmental disabilities, among others. The proposed financing will benefit the individuals served by the Center as well as residents of Sullivan County who are either employed by the Center or an active user of one of the Center's facilities. It is anticipated that the Center will add approximately 300 FTE employees from the proposed projects. The

estimated value of the mortgage recording tax exemption for the 2019 Bond financing is approximately \$508,000.

For your reference, the contact information for the Borrowers, and their Counsel, is as follows:

Borrower
Patrick Dollard
President & CEO
Center for Discovery

Center for Discover PO Box 840

Benmosche Road Harris, NY 12742

P: 845-707-8899

phdollard@tcfd.org

Borrowers' Counsel Seth Stein, Esq.

Partner

Moritt Hock & Hamroff LLP

400 Garden City Plaza

Suite 202

Garden City, NY 11530

P: 516-542-0088

sstein@moritthock.com

The Borrower has engaged Roosevelt & Cross as its investment banker and bond placement agent with respect to the 2019 Project. To that end, Roosevelt & Cross is currently in the process of soliciting and procuring interest in purchasers for the 2019 bonds.

We hereby request that Sullivan County Funding Corporation consider this request for financing. We are seeking a closing date prior to December 31, 2019. Thank you in advance and we look forward to working with you on this exciting transaction.

Sincerely,

Patrick Dollard

Chief Executive Officer

cc:

Walter Garigliano, Esq. Claude D'Alessando Seth P. Stein, Esq. Gregory LiCalzi David Barr Greg LiCalzi, Jr.



The Center For Discovery, Inc.
2019 Long Term Debt Issuince
As of September 24, 2019

| - | | | | | | _ | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------|-------------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------|----------------------------------------------------|---------------------------------|-------------------------|--------------------------------------------------------------------|-------------------------|----------------------------------------|--------------------------------------------------|--------------------------------------|--------------------------------------|-------------------------|----------------------|--------------------|--------------------|------------------------|----------------------------------------|----------------------------------------|------------------------------------------|--------------|--------------------------------------|--------------------------|
| (*) IRA is under construction pending operating certificate. | | Total Projects Working Capital (5%) | Total Support facilities | A Twin Bridge Road - Parcel #1 A Twin Bridge Road - Parcel #2 B Twin Bridge Road - Parcel #2 C 26 Holland Road D Twin Bridge Road - Parcel #3 | Total Specialty Hospital/Training & Health | (**) B 195 Lake Louise Marie Road C 16 Frontier Drive D Main Street E 233 Main Street | Total SED/Farm School Specialty Hospital/Training/Day Hab A 125 Kinne-Brook Road | A 95 Kinne-Brook Road (Includes 95 acres) B CSA Gatehouse Building C New Education Building | e Development | Road ise Marie Road | J 250 Main Street K 25 Jacobson | H 245 Main Street | E 48 Rairoad Avenue F 303 Main Street G 1048 Old Hearty Road | D 183 Holmes Road | A 48 Mitteer Road B 253 Main Street | Residential - Staff Housing - Future Development | N Kinnebrook Koad Total IRA Projects | L 38 Holmes Road M 68 Holmes Road | K 1100 Old Liberty Road | I 265 Glen Wild Road | H Tekene Road | G Tekene Road | E 988 Old Liberty Road | C 15 P.O.E.M. Place | B 29 Rapp Road | Residential - IRA/ICF with Existing PPAs | Property | | As of September 24, 2019 |
| tificate. | | | | LY 361-131.1 LY 361-131.3 LY 361-131.4 LY 371-6.7 | | TH 52,-1-13A TH 52,-1-13B FA 34,-6-4 FA 34,-4-8 | TH 121-4 | TH 121.4 TH 71-13.4 TH 71-26.1 | | FA 321-60.1 TH 521-13.22 | FA 349-2 | FA 344-5 | FA 331-18 | TH 71-20 | FA 341-4 FA 344-3 | # | T-T-71 HI | TH 71-26.10 | TH 21-39 | TH 7 -1-25 1 | TH 71-26.1 | TH 71-26.1 | TH 21-30.2 | TH 12-1-4 | TH 71-11.3 | Tu 3 4 34 4 | 7-8-5 | | |
| | | | | 8-Feb-19 8-Feb-19 8-Feb-19 8-Feb-19 | | 0d-19 0d-19 0d-19 | 15-Oct-03 | 08-Dec-99 15-Jun-01 29-Jan-97 | | 0ct-19 0ct-19 | 16-Sep-16 31-Mar-09 | 26-Oct-16 | 13-Jul-16 | 12-Jan-06 | 20-Jun-19 | | 71-8nW-17 | 18-Mar-11 | 14-Mar-11 | 26-Feb-99 | 29-Jan-97 | 29-Jan-97 | 26-Oct-15 | 08-Dec-99 | 15-Jun-87 | 14 000.00 | Acquisition | Date of | |
| | | | | Building & Grounds Maintenance Building & Grounds Maintenance Building & Grounds Maintenance Building & Grounds Maintenance | | Specialty Hospital Daycare / Parking Day Habilitation Day Habilitation | Staff Training Center | Education Building Education Building Education Building | | Residential Development Residential Development | Residential Development | Residential Development | Residential Development | Residential Development | Residential Development | | rioposed a ped inv | Proposed 5 Bed IRA | Proposed 5 Bed IRA | Proposed 5 Bed IRA | Proposed 5 Bed IRA | Proposed 5 Bed IRA | Proposed 5 Bed IRA | Existing Intermediary Care RCF - OPWDD | Existing Intermediary Care RCF - OPWOD | Individual Basidantial Alta | Usage | | |
| | | 1 | | enance enance enance | | OPWDD OPWDD | | SED | | í | | | | | | | INA TOT WOO | IRA - OPWDD | IRA - OPWDC | IRA - OPWDD | IRA - OPWDD | RA - OPWOD | IRA - OPWDC | RCF - OPWDD | ACF - OPWDD | Juman - Vari | Program | | |
| | | 15,348,595 | 591,523 | 183,657 86,787 292,168 28,911 | 7,711,676 | 1 | | 533,204 397,535 | 2,938,107 | | 229,519 924,251 | 309,669 | 317,981 | 188,652 | 212,095 | 700 707 | 3,176,550 | | 60,632 | 117,102 | 701 711 | 757,121 | 59,130 | 538,478 | 762,319 | 876 914 | To Date | Project Costs Incurred | |
| | | 40,748,093 | . 0 | | 26,458,093 | 1,700,000 200,000 795,000 | 1,800,000 | 300,000 | 2,200,000 | 820,000 850,000 | 80,000 | | | 450,000 | 1000 | | 10,290,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 945,000 | | 100000 | 400 000 | Costs | Additional Project | |
| | | 4,954,775 | 0 | | 3,921,425 | 195,500 23,000 91,425 | 2 544 500 | 13,000 129,500 | 4,600 | | 4,600 | | | | | | 886,250 | 115,000 | 86,250 | 115,000 | 115,000 | 57,500 | 55,000 | | | | Interest | Capital Construction | |
| | \$1,221,030 \$457,890 \$1,831,500 \$105,000 67,719,483 \$1,517 67,721,000 | \$3,052,600 | 591,523 | 183,657 86,787 292,168 28,911 | 38,091,194 | 1,895,500 223,000 886,425 | 70,564 | 533,204 710,535 1,629,500 | 5,142,707 | 820,000 | 314,119 924,251 | 309,669 | 317,981 | 188,652 | 212,095 | 290 297 | 14,352,800 | 1,115,000 | 1,146,882 | 1,115,000 | 1,115,000 | 1,057,500 | 1,059,130 | 538,478 | 762,319 | 1.276.914 | Costs | Total Project | il . |
| | | 4,499,850 | | 0000 | 3,453,258 | 3,413,410 | 000 000 | • | 655,092 | | 462,126 | | | | 105,997 | 95 95 | 391,500 | | | | | | | | | 391.500 | TD Bank | Outstand | |
| | | 4,499,849 | | 0000 | 3,453,25/ | 1,100,000 | 3 /53 757 | • | 655,092 | | 462,125 | | | | 105,998 | 86 969 | 391,500 | | | | | | | | | 391,500 | Peoples Bank | Outstanding Bridge/Term Loans/L.O.C. | |
| | | 2,473,430 | | 0000 | D00'ST | | 15,000 | 95,000 | 488,111 | | | 194,000 30,000 | 68,000 52,111 | 110,000 | | | 1,875,319 | | 15,000 | 200,000 | 147 500 | | 5,500 | 450,000 | 762,319 | 28,000 | Jeff Bank | | |
| | | 3,8/5,466 | 25,263 | 183,657 86,787 292,168 28,911 | 101,06/ | 000 | 55,564 | 438,204 397,535 0 | 1,139,812 | | 229,519 | 115,669 220,991 | 249,981 | 78,652 29,451 | 100 | 215 449 | 518,231 | | 45,632 | 0 | 54.711 | 0 | 53,630 104,252 | 88,478 | 0 | 65,914 | Amount | CFD Reimbursemen | |
| | | 45,702,868 | | | 30,379,518 | 1,895,500 223,000 886,425 | 0 0 274 775 | 313,000 1,629,500 | 2,204,600 | 850,000 | 84,600 0 | 00 | 00 | 00 | 450 000 | 0 | 11,176,250 | 1,115,000 | 1,086,250 | 1,115,000 | 1,115,000 | 1,057,500 | 1,000,000 | 00 | | 400,000 | Fund | Balance In Project | ě |
| | \$1,221,030 \$411,431 \$1,831,500 \$1,512 60,850,000 | \$3,052,600 | | 0000 | 37,280,033 | 1,895,500 223,000 886,425 | 34 781 108 | 313,000 1,629,500 | 3,078,644 | 850,000 | 84,600 | 194,000 | 68,000 52,111 | 110,000 | 211,995 | 173,938 | 12,024,750 | 1,115,000 | 1,101,250 | 1,115,000 | 1,115,000 | 1,057,500 | 1,005,500 | | | 1,211,000 | Exempt | Tax | |
| | \$46,459 \$105,000 \$5 6,871,000 | 6,/19,536 | 351,523 | 183,657 86,787 292,168 28,911 | 101,008 | 0 | 70,564 | 397,535 | 2,064,063 | 00 | 229,519 924,251 | 115,669 | 249,981 | 78,652 29,451 | 100 | 215,449 | 2,328,050 | | 45,632 | 0 | 201.711 | 0 | 53,630 104,252 | 538,478 | 762,319 | 65,914 | Taxable | | |

Rounding
Total Bond Amount
(*) IRA is under construction panding operating certificate.
(*) IRA is under construction panding operating certificate.
(*) Includes historical soft costs related to the construction of the Assessment Center/CCCC.