



THE STATE UNIVERSITY of NEW YORK

MEMORANDUM

Office of the
Chancellor

State University Plaza
Albany, New York
12246

518 443 5355
fax - 518 443 5360

www.suny.edu

May 11, 2010

TO: Members of the Board of Trustees

FROM: Nancy L. Zimpher, Chancellor

SUBJECT: Tax-Exempt Leasing Program -- University Hospital Medical Center at Brooklyn

I recommend that the Board of Trustees adopt the following resolution:

Whereas pursuant to Title 18, Chapter 6 of the Unconsolidated Laws, as amended, State University of New York has the statutory authority to participate in the Dormitory Authority of the State of New York's Tax-Exempt Leasing Program ("Program") for hospitals and residential health care facilities; and

Whereas University Hospital Medical Center at Brooklyn desires to participate in the Program to finance certain equipment; and

Whereas it is desirable to finance the cost of the Hospital's equipment acquisition and installation through the Program; now, therefore, be it

Resolved that the form and content of the proposed Master Lease and Sublease Agreement ("Agreement") by and between the State University and the Dormitory Authority of the State of New York (copy on file in the Office of the Secretary of the University), be, and hereby is, approved; and, be it further

Resolved that the Chancellor, or designee, be, and hereby is, authorized to execute and deliver one or more said Agreements in the name and on behalf of the State University of New York, for and on behalf of University Hospital Medical Center at Brooklyn, with such changes and additions, not materially altering said Agreement, as may be found appropriate to effectuate the purposes thereof, and to provide all certifications, assurances or other documents, and to take any and all steps necessary and appropriate to enable the State University to participate in the Program for the acquisition and installation of the Hospital's equipment in an amount not to exceed \$25.0 million.

Background

This resolution authorizes the State University to participate in the Dormitory Authority's (DASNY) Tax Exempt Leasing Program to finance new equipment for the University Hospital Medical Center at Brooklyn. The new equipment includes a radiology management information system, endoscopy units, digital mammography units, identity management unit, and miscellaneous medical and information system equipment.

It is estimated that the payments to DASNY under this loan program will be \$5.6 million annually for the University Hospital Medical Center at Brooklyn. This cost will be paid out of Hospital revenues from the annual operating budget.

DASNY plans to close this transaction during June of 2010. Required approvals for the purchase of certain items of equipment have been received from the New York State Department of Health.

By Resolutions 97-157 (November 18, 1997), 98-68 (May 27, 1998), 99-122 (June 22, 1999), 00-42 (March 28, 2000), 2001-31 (February 27, 2001), 2002-16 (January 29, 2002), 2003-94 (October 28, 2003), 2004-138 (October 26, 2004), 2005-96 (July 15, 2005), 2006-86 (June 27, 2006), 2008-08 (January 15, 2008), and 2009-031 (March 24, 2009), the Board authorized participation in the Program for University Hospital and Medical Center at Stony Brook; by Resolutions 98-67 (May 27, 1998), 2002-15 (January 29, 2002), 2003-118 (December 2, 2003), 2005-95 (July 15, 2005), 2008-31 (March 11, 2008) and 2009-053 (May 12, 2009) for University Hospital and Medical Center at Brooklyn; and by Resolutions 99-167 (October 26, 1999), 2001-162 (December 18, 2001), 2003-83 (September 16, 2003), 2004-169 (December 14, 2004), 2007-11 (January 11, 2007), 2007-138 (October 26, 2007), and 2008-126 (September 16, 2008) for University Hospital and Medical Center at Syracuse.