

EXHIBIT 18



MEMORANDUM

June 25, 2014

To: Members of the Board of Trustees

From: Nancy L. Zimpher, Chancellor

Subject: Sale and Transfer of Assets from Downstate at LICH Holding Company, Inc. and SUNY Downstate to Fortis Property Group, LLC

Action Requested

This resolution approves the sale and transfer of assets from Downstate at LICH Holding Company, Inc. (of which SUNY is the sole member) and SUNY Downstate, to Fortis Property Group, LLC, as a result of a prior Request for Proposals and Stipulation and Order of Settlement.

Resolution

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

Whereas, the State University of New York ("SUNY") is the sole member of Downstate at LICH Holding Company, Inc., a New York not-for-profit corporation (the "Corporation"), which will act in accordance with the certificate of incorporation and by-laws of the Corporation and pursuant to Section 614 of the Not-for-Profit Corporation Law of the State of New York, to adopt the following resolution, with full force and effect;

Whereas, the Corporation is located in Kings County, New York; and

Whereas, this resolution is being adopted by SUNY as the sole member of the Corporation to authorize and approve certain actions and the execution and delivery by the Corporation of certain documents in connection with the sale of all or substantially all of the assets of the Corporation as further described herein; and

Whereas, the Corporation previously entered into an Asset Purchase Agreement dated as of April 18, 2011 (the "Asset Purchase Agreement"), by and among the Corporation, the Long Island College Hospital ("Old LICH"), Continuum Health Partners, Inc. ("Continuum") and SUNY for the purchase and sale of the hospital operated by Old LICH and other property; and

Whereas, pursuant to the Asset Purchase Agreement, on May 29, 2011 the Corporation acquired the land and buildings and physical assets comprising the hospital then operated by Old LICH (building and equipment), as well as certain other properties in the adjoining neighborhood (the "LICH Portfolio"); and

Whereas, in connection with its acquisition of the LICH Portfolio, the Corporation leased the hospital previously operated by Old LICH and certain other property to SUNY pursuant to a Lease Agreement dated as of May 29, 2011 (the "Lease Agreement"), by and between the Corporation and SUNY, and SUNY thereafter operated the hospital, known as SUNY Downstate Medical Center at LICH ("LICH"), as part of the State University of New York Health Science Center of Brooklyn and its University Hospital of Brooklyn ("Downstate"); and

Whereas, in accordance with Article VII Budget Bill: Health and Mental Hygiene (HMH) (S2606-D/A3006-D), Chapter 56 Part Q of the Laws of 2013-14, and pursuant to the authority provided by the Board of Trustees of SUNY, the

Chancellor of SUNY submitted a plan to restructure University Hospital of Brooklyn to achieve its continued fiscal viability while preserving its status as a teaching hospital, which plan was duly approved by the Commissioner of Health of the State of New York and the Director the Division of the Budget of the State of New York on June 13, 2013 (the “Sustainability Plan”); and

Whereas, the Sustainability Plan approved and incorporated Downstate’s determination in 2013 that it needed to and should exit the operations of LICH as soon as possible; and

Whereas, a number of the current and former employees who work or worked at LICH pursuant to employment and staffing agreements with StaffCo, LLC (“StaffCo”) are or were represented by 1199 SEIU United Healthcare Workers East (“1199”) for a bargaining unit of licensed physicians assistants, licensed practical nurses, health aides, technical, support, administrative and clerical and similarly situated employees, and by the New York State Nurses Association (“NYSNA”) for a bargaining unit of registered nurses, nurse practitioners and nurse midwives; and

Whereas, during the period that Continuum owned and operated Old LICH, a number of the physicians with privileges at Old LICH engaged counsel to discuss various operational issues with Continuum, and these physicians formed an entity known as Concerned Physicians of LICH, LLC (“CPL”); and

Whereas, 1199, NYSNA and CPL opposed the closure of LICH; and

Whereas, a number of community groups and community representatives also opposed the closure of LICH; and

Whereas, certain litigation was brought by 1199, NYSNA, the community groups and community representatives in the Supreme Court of the State of New York, County of Kings, styled Boerum Hill Association, et al., vs. State University of New York, et al. (Index Number 13007/13), New York State

Nurses Association, et al., vs. New York State Department of Health, et al. (Index Number 5814/13), and additional proceedings affecting the proposed closure of LICH were recommenced, styled In the Matter of the Application of The Long Island College Hospital (Index Number 9188/2011); and

Whereas, in settlement of the aforesaid litigation, SUNY and all other parties thereto entered into a certain Stipulation and Proposed Order that was filed with the Kings County Clerk's Office on February 25, 2014 (the "Stipulation"), which Stipulation was "so ordered" by Justices Johnny Lee Baynes and Carolyn Demarest; and

Whereas, pursuant to the Stipulation, SUNY was authorized and directed to issue a request for proposals from qualified parties to provide, or to arrange to provide, health care services at the LICH campus, or in the community proximate to LICH, consistent with the health care needs of the community, and to purchase the LICH Portfolio; and

Whereas, pursuant to the Stipulation, SUNY was authorized to discontinue providing medical services at LICH at any time on or after May 22, 2014; and

Whereas, Downstate at LICH Holding Company obtained two appraisals and one broker valuation for the LICH property reflecting highest and best use which appraisals and valuations were used to inform evaluations of all proposals in response to the RFP; and

Whereas, in accordance with the Stipulation, SUNY issued its Request for Proposal X-002654 dated February 26, 2014, titled "HealthCare Services at LICH and Purchase of Property" (the "RFP"); and

Whereas, pursuant to the RFP, SUNY is authorized currently to negotiate with Fortis Property Group, LLC ("Fortis") for the sale of the LICH Portfolio and the provision of related health care services; and

Whereas, a special purpose entity formed by Fortis (the “Purchaser”) and SUNY and the Corporation have been negotiating a Purchase and Sale Agreement (the “PSA”) providing for the sale of the LICH Portfolio, comprising substantially all of the real and personal property of the Corporation (other than certain Excluded Property as defined in the PSA) (the “Property”) to the Purchaser (the “Transaction”); and

Whereas, the Corporation and SUNY desire to enter into a Grant and Distribution Agreement (the “Grant Distribution Agreement”) pursuant to which the Corporation will distribute to SUNY, its sole member, substantially all of the proceeds received upon the sale of the Property to the Purchaser pursuant to the PSA; and

Whereas, it is contemplated that, upon the sale of the Property and the distribution of the proceeds thereof, and following a brief wind-down period, the Corporation will be dissolved; and

Whereas, pursuant to the New York Not-For-Profit Corporation Law, the Corporation will be required to obtain the approval of the Transaction from the Charities Bureau within the Office of the New York State Attorney General (the “Charities Bureau”) and/or the Supreme Court of the State of New York (the “Supreme Court”); and

Whereas, in accordance with the New York State Finance Law and the New York State Education Law, SUNY and the Corporation will also submit the Transaction to the New York State Attorney General (the “AG”) and the Office of the State Comptroller (“OSC”) for the approval by each of those entities; and

Whereas, the Board of Directors of the Corporation believes that the Transaction and the distribution of substantially all of the proceeds from the Transaction to SUNY pursuant to the Grant Distribution Agreement are in the best interests of the Corporation; and

Whereas, the Corporation and SUNY desire to enter into a First Amendment to the Lease Agreement (the "Lease Amendment") which will provide that the Corporation and SUNY may terminate the Lease at any time by mutual consent; and

Whereas, the Corporation and SUNY intend to terminate the Lease Agreement immediately prior to the completion of the Transaction and sale of the Property to the Purchaser, and

Whereas, pursuant to the PSA, the Purchaser intends to arrange for the provision of health care services at LICH during the period between September 1, 2014 and completion of the Transaction and sale of the Property to the Purchaser, and

Whereas, in order to enable the Purchaser to provide such health care services during a period prior to completion of the Transaction and sale of the Property to the Purchaser, the Corporation desires to enter into an interim lease (the "Medical Facility Lease"), pursuant to which the Corporation will lease the Premises (as defined therein) to the Purchaser, and the Purchaser, in turn, will sublease the Premises (or a portion thereof) to New York University Langone Medical Center ("NYULMC"), which will provide emergency department and possibly other services on the Premises beginning on the commencement date of the Medical Facility Lease, contemplated to be on or before September 1, 2014; and

Whereas, in order to enable the Corporation to enter into the Medical Facility Lease, SUNY and the Corporation desire to enter into a sublease (the "Medical Facility SubLease"), pursuant to which SUNY will sublease the Premises back to the Corporation; and

Whereas, SUNY submitted, and received approval from the New York State Department of Health ("DOH") of, a closure plan permitting SUNY to close LICH on May 22, 2014 (the "Closure Plan"); and

Whereas, in order to promote the continuity of care on the LICH premises, SUNY voluntarily amended its Closure Plan in order to maintain the operation of its emergency department (the "SUNY ED") on the LICH campus until the day before the commencement of the Medical Facility Lease, DOH approved the amended Closure Plan, and the Purchaser agreed, pursuant to the PSA, to pay substantially all of SUNY's and the Corporation's operating deficits arising from the operation of the SUNY ED incurred from May 23, 2014 through the day before the commencement date of the Medical Facility Lease and the closure of the SUNY ED; and

Whereas, subject to DOH approval, SUNY intends to close the SUNY ED and fully and finally exit the operation of health care services at LICH as of the day before the commencement date of the Medical Facility Lease, which closure date is contemplated to be on or before August 31, 2014; and

Whereas, counsel to SUNY and the Corporation have reviewed forms of the following documents: (1) the PSA; (2) the Lease Amendment; (3) the Grant Distribution Agreement; (4) the Medical Facility Sublease; and (5) the Medical Facility Lease (collectively, the "Transaction Documents"); now, therefore, be it

Resolved, that all actions (not inconsistent with the provisions hereof) heretofore and hereafter taken by members of the Board of Directors, officers, or agents of the Corporation in connection with the Transaction and the other transactions contemplated by the Transaction Documents, shall be, and the same hereby are, ratified, approved, authorized, and confirmed; and, be it further

Resolved, that SUNY, as the sole member of the Corporation, has determined that it is necessary and convenient to the conduct, promotion and attainment of the Corporation's business and it is in the best interests of the Corporation for the Corporation to enter into, and consummate, the transactions contemplated by the

Transaction Documents, including the sale of all or substantially all of the assets of the Corporation; and, be it further

Resolved, that SUNY, as the sole member of the Corporation, hereby approves the Corporation filing any notices, applications and petitions and seeking any consents that may be required in connection with the Transaction Documents and the transactions contemplated therein, including without limitation seeking approval of the Transaction from the Charities Bureau, the Supreme Court, the AG and OSC; and, be it further

Resolved, that SUNY, as the sole member of the Corporation, hereby approves (i) the sale of all or substantially all of the assets of the Corporation pursuant to the PSA; and (ii) the other transactions contemplated by the Transaction Documents and herein; and, be it further

Resolved, that the Transaction Documents in substantially the respective forms as reviewed by counsel for SUNY and the Corporation are hereby in all respects approved, subject to such modifications prior to execution as the Authorized Representatives (as defined herein) deem prudent; and, be it further

Resolved, that the President, the Vice President, the Treasurer and the Secretary of the Corporation, and the Chancellor, Senior Vice Chancellor & General Counsel, Vice Chancellor & Chief of Staff, (Interim) Vice Chancellor and Chief Financial Officer, and Associate Vice Chancellor for Health Affairs (each an "Authorized Representative") are each hereby designated as Authorized Representatives respectively of the Corporation or SUNY and authorized and directed individually in such respective capacities, to effectuate the transactions contemplated herein and in the Transaction Documents, and to execute and deliver, and to affix the seal of the Corporation or SUNY to, and attest the execution thereof by such Authorized Representatives, when appropriate, such Transactions Documents, in substantially

such forms and upon the terms and conditions set forth herein and therein, with such changes therein as such Authorized Representatives shall approve (including without limitation changes in dates and amounts necessary to conform such documents to the final terms as approved by an Authorized Representative), such approval to be conclusively, but not exclusively, evidenced by their execution and delivery thereof; and, be it further

Resolved, that the Authorized Representatives and other corporate officers as their offices may require are each hereby authorized, empowered and directed, in the name and on behalf of the Corporation or SUNY, to execute and deliver such other documents, agreements, undertakings, instruments and certificates, and to take such other actions, to perform all acts and deeds, and to ratify, certify, file and record such additional documents, agreements, undertakings instruments, and certificates, and any and all amendments, supplements, modifications, extensions, restatements, renewals, and replacements of the foregoing, as may be necessary or appropriate in order to (i) implement the provisions hereof, (ii) effectuate the delivery of the Transaction Documents, the performance of the Corporation's or SUNY's obligations thereunder, and the consummation of the transactions contemplated thereby, and (iii) appoint such agents to act on behalf of the Corporation or SUNY as such Authorized Representatives may deem necessary or appropriate to comply with the requirements of the agreements approved by the foregoing resolutions; and, be it further

Resolved, that notwithstanding any other provisions of the foregoing resolutions, each of the Authorized Representatives is hereby authorized to make or approve such revisions in such documents as may be necessary or convenient to carry out or assist in carrying out the purposes hereof; and, be it further

Resolved, that all by-laws, orders and resolutions, or parts thereof; inconsistent with the foregoing resolutions are

hereby repealed to the extent only of such inconsistency;
and, be it further

Resolved, that this repealer shall not be construed as
reviving any by-law, order or resolution or part thereof; and,
be it further

Resolved, that this resolution shall take effect immediately
upon its approval.



The State University
of New York

Office of the
Board of Trustees

State University Plaza
Albany, New York 12246

www.suny.edu

CERTIFICATION

I, JOEL PIERRE-LOUIS, Secretary of the State University of New York, an educational corporation created by Article 8 of the New York Education Law, hereby certify that the attached is a true copy of a resolution duly adopted by a unanimous vote of the Board of Trustees of the State University of New York at a special meeting held on the 25th day of June 2014 in New York, New York, at which a quorum was present and acted throughout.

I further certify that such resolution has not been rescinded or modified; there is no provision in the laws establishing and governing said corporation limiting the power of the Board of Trustees to adopt such resolution; and the same is in conformity with such provisions of laws and bylaws.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of January, 2015.

A handwritten signature in blue ink, appearing to read "Joel Pierre-Louis", is written over a horizontal line.

JOEL PIERRE-LOUIS
Secretary of the University

To Learn
To Search
To Serve

the Power of 



**Minutes of Meetings of the Board of Trustees
of State University of New York
June 25, 2014**

The Board of Trustees of the State University of New York met on June 25, 2014 at the State University of New York Global Center, New York, New York, pursuant to notice sent by the Office of the Secretary of the University on June 18, 2014.

June 25, 2014

10:00 a.m.

Trustees Present: Chairman McCall, Mr. Belluck, Dr. Dullea (via video, Ithaca), Dr. Good (via conference call, Stony Brook), Dr. Knuepfer (via video, Albany), Mrs. Lewin (via video, Buffalo), Ms. Mould (via video, Albany), Mr. Murad (via video, Syracuse), Ms. Sanford (via video, Somers), Mr. Socarides, Mr. Spielvogel, and Mr. Staller (via video, Stony Brook)

Trustees Absent: Mr. Corngold, Dr. Fatta, Dr. Ehrenberg, and Dr. Lichtman

Others Present: Chancellor Zimpher, Ms. Booher, Mrs. Duncan-Poitier, Ms. Gambrell, Mr. Haelen, Ms. Hengsterman, Mr. Howard, Ms. Lefebvre, Ms. LoTurco, Dr. Malatras, and Mr. Pierre-Louis

1. **CONVENING OF PUBLIC MEETING**

Chairman McCall convened the Public Meeting at 10:02 a.m., which was held at the State University of New York Global Center in NYC, New York. It was noted there were twelve members participating, including one non-voting member via teleconference from Stony Brook, one non-voting member via video from Albany, as well as six trustees via video from Albany, Buffalo, Ithaca, Somers, Stony Brook and Syracuse. Chairman McCall declared a quorum and asked Chief of Staff Jim Malatras to give an overview of the status of the Long Island College Hospital (LICH) Litigation and Settlement.

Dr. Malatras noted that following the agreements reached by the parties involved, which included the community groups and SUNY under the guidance of Judge Baynes, SUNY began negotiations with the Fortis Property Group to allow SUNY to exit the operations of LICH while ensuring long-term healthcare with New York University Langone Medical Center, Lutheran

Medical Center and Lutheran Family Healthcare Centers (NYU/Lutheran). Dr. Malatras also reported that they reached an agreement in principle on June 15, 2014 with Fortis Property Group, and the final agreement was finalized on June 24, 2014.

Dr. Malatras stated that Fortis Property Group will pay SUNY \$240 million for acquisition of the site, and they will make a \$24 million down payment upon signing. He then noted that SUNY will continue to operate the emergency department at LICH until NYU/Lutheran takes over on September 1, 2014. He indicated that as part of the agreement, Fortis Property Group will underwrite and pay for those operating costs for SUNY. Dr. Malatras then invited Senior Counsel Ruth Booher to detail the agreement, as well as Lora Lefebvre, Associate Vice Chancellor for Health Affairs, to detail the services that will be provided by NYU/Lutheran.

Ms. Booher indicated that in accordance with the Request for Proposal (RFP), the closing was scheduled to occur within six months, subsequent to the execution and delivery of the contract of sale; however, this may be extended if necessary permits and approvals are delayed. Ms. Booher indicated that a foundation has been established with \$5 million to oversee the healthcare services in the community. Ms. Booher also indicated that Fortis Property Group is providing an unlimited indemnity for all environmental issues including those preexisting conditions. She further noted that there was a defeasance issue which will require a \$118 million, and SUNY has worked to avoid that payment. She also indicated that the Dormitory Authority of the State of New York (DASNY) has given Fortis Property Group nine months from the start of the NYU lease to come to closing, and if that is achieved, the defeasance issue will be fixed. Ms. Booher also described the chart below which showed the timeline of important transactions that will take place between LICH and Fortis Property Group, described as follows:

May 23, 2014 - August 31, 2014	SUNY Operates Emergency Department, but at Fortis' cost if deal is signed and becomes effective
June 25, 2014	SUNY Board of Trustees vote to approve transaction

June 30, 2014	Documents signed, if approved by SUNY Board of Trustees, Fortis delivers \$24MM down payment to Downstate at LICH Holding Company, Inc. (DLHC) Contract documents submitted to Attorney General contracts bureau and Office of State Comptroller for approval
July 2014	Second down payment of \$2MM if Fortis desires to conduct environmental testing DLHC to submit petition to Attorney General Charities Bureau and if required, Kings County Supreme Court for approval of sale of substantially all assets of non-profit corporation
August 1, 2014	First Payment by Fortis for SUNY's Emergency Department operating deficit
September 1, 2014	Latest date for NYU Langone Medical Center to take over operation of emergency department at LICH
December 1, 2014	Second payment by Fortis for SUNY's Emergency Department operating deficit
Upon approval of transaction by AG, OSC, DOH, AG Charities Bureau and Kings County Supreme Court, possibly December 31, 2014	All transaction documents (deeds, leases, assignments, etc.) signed and delivered Balance of purchase price (\$216MM) is paid by Fortis Zoning Lot Development Agreement amended to transfer development rights to Polak and Henry buildings

Chairman McCall then invited the Trustees to make comments regarding the transaction. Some of the discussions pertained to SUNY's indemnity about legal issues, potential liabilities and malpractices lawsuits that may arise before NYU Langone takes over LICH on September 1, 2014. Chairman McCall then invited Ms. Lefebvre to give an update on the medical services that will be available under the agreement.

Ms. Lefebvre indicated that Fortis Property Group partnered with NYU Medical Center and Lutheran Medical Center and Lutheran Family Healthcare Center. She stated that the services will be interim services beginning on September 1, 2014 at NYU Medical Center since Fortis Property Group has committed to building a new permanent facility on the LICH campus within three years after closing to provide its service. Ms. Lefebvre also noted that there will be an additional 15,000 square feet of space for other necessities that the community may require such as a community space and a healthcare space.

Ms. Lefebvre also indicated that NYU will submit a “Certificate of Need” to run an ambulatory surgery center at their site in the interim, which will allow them to receive Medicaid and Medicare funding. Lutheran, through its federally qualified health centers, will operate a clinic space in the interim, and NYU will be exploring putting multi-specialty position practices at that site also in the interim. Additionally, Fortis Property Group has also committed to creating a Clinical Advisory Committee to be informed about health care and future health care needs in the community.

Chairman McCall then asked Ms. Lefebvre to give a report on the provisions regarding the Minority and Women-owned Business Enterprise (MWBE) participation in this project. Ms. Lefebvre reported that the RFP requested and required that all proposers submit MWBE plans and policy statements, and also Equal Employment Opportunity Commission (EEOC) staffing for each one of the proposals. She noted that Fortis Property Group complied and submitted those plans for themselves and for each one of their subcontractors. In addition, Fortis Property Group hired Full Spectrum of New York, LLC and particularly designated a Minority Business Enterprise Officer, Walter J. Edwards, to implement and administer their MWBE and EEOC Program.

Chairman McCall then asked the Secretary to read the resolution.

Sale and Transfer of Assets from Downstate at LICH Holding Company, Inc. and SUNY
Downstate to Fortis Property Group, LLC

Upon motion by Mr. Socarides, seconded by Mr. Spielvogel, the following resolution was approved by affirmative votes from all present:

Whereas, the State University of New York (“SUNY”) is the sole member of Downstate at LICH Holding Company, Inc., a New York not-for-profit corporation (the “Corporation”), which will act in accordance with the certificate of incorporation and by-laws of the Corporation and pursuant to Section 614 of the Not-for-Profit Corporation Law of the State of New York, to adopt the following resolution, with full force and effect; and

Whereas, the Corporation is located in Kings County, New York; and

Whereas, this resolution is being adopted by SUNY as the sole member of the Corporation to authorize and approve certain actions and the execution and delivery by the Corporation of certain documents in connection with the sale of all or substantially all of the assets of the Corporation as further described herein; and

Whereas, the Corporation previously entered into an Asset Purchase Agreement dated as of April 18, 2011 (the "Asset Purchase Agreement"), by and among the Corporation, the Long Island College Hospital ("Old LICH"), Continuum Health Partners, Inc. ("Continuum") and SUNY for the purchase and sale of the hospital operated by Old LICH and other property; and

Whereas, pursuant to the Asset Purchase Agreement, on May 29, 2011 the Corporation acquired the land and buildings and physical assets comprising the hospital then operated by Old LICH (building and equipment), as well as certain other properties in the adjoining neighborhood (the "LICH Portfolio"); and

Whereas, in connection with its acquisition of the LICH Portfolio, the Corporation leased the hospital previously operated by Old LICH and certain other property to SUNY pursuant to a Lease Agreement dated as of May 29, 2011 (the "Lease Agreement"), by and between the Corporation and SUNY, and SUNY thereafter operated the hospital, known as SUNY Downstate Medical Center at LICH ("LICH"), as part of the State University of New York Health Science Center of Brooklyn and its University Hospital of Brooklyn ("Downstate"); and

Whereas, in accordance with Article VII Budget Bill: Health and Mental Hygiene (HMH) (S2606-D/A3006-D), Chapter 56 Part Q of the Laws of 2013-14, and pursuant to the authority provided by the Board of Trustees of SUNY, the Chancellor of SUNY submitted a plan to restructure University Hospital of Brooklyn to achieve its continued fiscal viability while preserving its status as a teaching hospital, which plan was duly approved by the Commissioner of Health of the State of New York and the Director the Division of the Budget of the State of New York on June 13, 2013 (the "Sustainability Plan"); and

Whereas, the Sustainability Plan approved and incorporated Downstate's determination in 2013 that it needed to and should exit the operations of LICH as soon as possible; and

Whereas, a number of the current and former employees who work or worked at LICH pursuant to employment and staffing agreements with StaffCo, LLC ("StaffCo") are or were represented by 1199 SEIU United Healthcare Workers East ("1199") for a bargaining unit of licensed physicians assistants, licensed practical nurses, health aides, technical, support, administrative and clerical and similarly situated employees, and by the New York State Nurses Association ("NYSNA") for a bargaining unit of registered nurses, nurse practitioners and nurse midwives; and

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Whereas, a number of community groups and community representatives also opposed the closure of LICH; and

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Whereas, pursuant to the Stipulation, SUNY was authorized and directed to issue a request for proposals from qualified parties to provide, or to arrange to provide, health care services at the LICH campus, or in the community proximate to LICH, consistent with the health care needs of the community, and to purchase the LICH Portfolio; and

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Whereas, in accordance with the Stipulation, SUNY issued its Request for Proposal X-002654 dated February 26, 2014, titled "HealthCare Services at LICH and Purchase of Property" (the "RFP"); and

Whereas, pursuant to the RFP, SUNY is authorized currently to negotiate with Fortis Property Group, LLC ("Fortis") for the sale of the LICH Portfolio and the provision of related health care services; and

Whereas, a special purpose entity formed by Fortis (the "Purchaser") and SUNY and the Corporation have been negotiating a Purchase and Sale Agreement (the "PSA") providing for the sale of the LICH Portfolio, comprising substantially all of the real and personal property of the Corporation (other than certain Excluded Property as defined in the PSA) (the "Property") to the Purchaser (the "Transaction"); and

Whereas, the Corporation and SUNY desire to enter into a Grant and Distribution Agreement (the “Grant Distribution Agreement”) pursuant to which the Corporation will distribute to SUNY, its sole member, substantially all of the proceeds received upon the sale of the Property to the Purchaser pursuant to the PSA; and

Whereas, it is contemplated that, upon the sale of the Property and the distribution of the proceeds thereof, and following a brief wind-down period, the Corporation will be dissolved; and

Whereas, pursuant to the New York Not-For-Profit Corporation Law, the Corporation will be required to obtain the approval of the Transaction from the Charities Bureau within the Office of the New York State Attorney General (the “Charities Bureau”) and/or the Supreme Court of the State of New York (the “Supreme Court”); and

Whereas, in accordance with the New York State Finance Law and the New York State Education Law, SUNY and the Corporation will also submit the Transaction to the New York State Attorney General (the “AG”) and the Office of the State Comptroller (“OSC”) for the approval by each of those entities; and

Whereas, the Board of Directors of the Corporation believes that the Transaction and the distribution of substantially all of the proceeds from the Transaction to SUNY pursuant to the Grant Distribution Agreement are in the best interests of the Corporation; and

Whereas, the Corporation and SUNY desire to enter into a First Amendment to the Lease Agreement (the “Lease Amendment”) which will provide that the Corporation and SUNY may terminate the Lease at any time by mutual consent; and

Whereas, the Corporation and SUNY intend to terminate the Lease Agreement immediately prior to the completion of the Transaction and sale of the Property to the Purchaser, and

Whereas, pursuant to the PSA, the Purchaser intends to arrange for the provision of health care services at LICH during the period between September 1, 2014 and completion of the Transaction and sale of the Property to the Purchaser, and

Whereas, in order to enable the Purchaser to provide such health care services during a period prior to completion of the Transaction and sale of the Property to the Purchaser, the Corporation desires to enter into an interim lease (the “Medical Facility Lease”), pursuant to which the Corporation will lease the Premises (as defined therein) to the Purchaser, and the Purchaser, in turn, will sublease the Premises (or a portion thereof) to New York University Langone Medical Center (“NYULMC”), which will provide emergency department and possibly other services on the Premises beginning on the commencement date of the Medical Facility Lease, contemplated to be on or before September 1, 2014; and

Whereas, in order to enable the Corporation to enter into the Medical Facility Lease, SUNY and the Corporation desire to enter into a sublease (the “Medical Facility SubLease”), pursuant to which SUNY will sublease the Premises back to the Corporation; and

Whereas, SUNY submitted, and received approval from the New York State Department of Health (“DOH”) of, a closure plan permitting SUNY to close LICH on May 22, 2014 (the “Closure Plan”); and

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Whereas, subject to DOH approval, SUNY intends to close the SUNY ED and fully and finally exit the operation of health care services at LICH as of the day before the commencement date of the Medical Facility Lease, which closure date is contemplated to be on or before August 31, 2014; and

Whereas, counsel to SUNY and the Corporation have reviewed forms of the following documents: (1) the PSA; (2) the Lease Amendment; (3) the Grant Distribution Agreement; (4) the Medical Facility Sublease; and (5) the Medical Facility Lease (collectively, the “Transaction Documents”); now, therefore, be it

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Resolved, that SUNY, as the sole member of the Corporation, has determined that it is necessary and convenient to the conduct, promotion and attainment of the Corporation’s business and it is in the best interests of the Corporation for the Corporation to enter into, and consummate, the transactions contemplated by the Transaction Documents, including the sale of all or substantially all of the assets of the Corporation; and, be it further

Resolved, that SUNY, as the sole member of the Corporation, hereby approves the Corporation filing any notices, applications and petitions and seeking any consents that may be required in connection with the Transaction Documents and the transactions contemplated therein, including without limitation seeking approval of the Transaction from the Charities Bureau, the Supreme Court, the AG and OSC; and, be it further

Resolved, that SUNY, as the sole member of the Corporation, hereby approves (i) the sale of all or substantially all of the assets of the Corporation pursuant to

the PSA; and (ii) the other transactions contemplated by the Transaction Documents and herein; and, be it further

Resolved, that the Transaction Documents in substantially the respective forms as reviewed by counsel for SUNY and the Corporation are hereby in all respects approved, subject to such modifications prior to execution as the Authorized Representatives (as defined herein) deem prudent; and, be it further

Resolved, that the President, the Vice President, the Treasurer and the Secretary of the Corporation, and the Chancellor, Senior Vice Chancellor & General Counsel, Vice Chancellor & Chief of Staff, (Interim) Vice Chancellor and Chief Financial Officer, and Associate Vice Chancellor for Health Affairs (each an "Authorized Representative") are each hereby designated as Authorized Representatives respectively of the Corporation or SUNY and authorized and directed individually in such respective capacities, to effectuate the transactions contemplated herein and in the Transaction Documents, and to execute and deliver, and to affix the seal of the Corporation or SUNY to, and attest the execution thereof by such Authorized Representatives, when appropriate, such Transactions Documents, in substantially such forms and upon the terms and conditions set forth herein and therein, with such changes therein as such Authorized Representatives shall approve (including without limitation changes in dates and amounts necessary to conform such documents to the final terms as approved by an Authorized Representative), such approval to be conclusively, but not exclusively, evidenced by their execution and delivery thereof; and, be it further

Resolved, that the Authorized Representatives and other corporate officers as their offices may require are each hereby authorized, empowered and directed, in the name and on behalf of the Corporation or SUNY, to execute and deliver such other documents, agreements, undertakings, instruments and certificates, and to take such other actions, to perform all acts and deeds, and to ratify, certify, file and record such additional documents, agreements, undertakings instruments, and certificates, and any and all amendments, supplements, modifications, extensions, restatements, renewals, and replacements of the foregoing, as may be necessary or appropriate in order to (i) implement the provisions hereof, (ii) effectuate the delivery of the Transaction Documents, the performance of the Corporation's or SUNY's obligations thereunder, and the consummation of the transactions contemplated thereby, and (iii) appoint such agents to act on behalf of the Corporation or SUNY as such Authorized Representatives may deem necessary or appropriate to comply with the requirements of the agreements approved by the foregoing resolutions; and, be it further

Resolved, that notwithstanding any other provisions of the foregoing resolutions, each of the Authorized Representatives is hereby authorized to make or approve such revisions in such documents as may be necessary or convenient to carry out or assist in carrying out the purposes hereof; and, be it further

Resolved, that all by-laws, orders and resolutions, or parts thereof; inconsistent with the foregoing resolutions are hereby repealed to the extent only of such inconsistency; and, be it further

Resolved, that this repealer shall not be construed as reviving any by-law, order or resolution or part thereof; and, be it further

Resolved, that this resolution shall take effect immediately upon its approval. (2014-45)

Chairman McCall thanked the Trustees and those who worked arduously to get to this agreement. He also commended the Trustees for taking their fiduciary responsibility very seriously. He noted that as members of the SUNY Board of Trustees they have a responsibility to protect the assets of SUNY, and those assets were in jeopardy because of the ongoing fiscal situation at LICH.

Chairman McCall was delighted to announce that Governor Cuomo secured an agreement to bring \$8 billion to the State of New York to develop a new system that will deliver healthcare and focus on keeping people out of the hospitals through ambulatory care, primary care, and wellness centers. Chairman McCall indicated that SUNY, in particular SUNY Downstate, will play a special role in developing those plans for Brooklyn. He noted that Downstate Medical Center will continue to educate doctors and train other professions who serve the people of Brooklyn. Chairman McCall then invited Chancellor Zimpher to say a few words.

Chancellor Zimpher thanked Chairman McCall for his leadership and every Board member for their tremendous commitment in moving the process forward in a positive way for Downstate Medical Center, Brooklyn, SUNY and the state.

4. APPROVAL OF MINUTES

Approval of Minutes of the Special Board Meeting Held on April 3, 2014

Upon motion of Mr. Spielvogel, seconded by Mr. Belluck, the proposed minutes were approved by affirmative votes from all present.

Chairman McCall then asked the Secretary to read the resolution to approve the election of the Executive Committee for 2014-2015.

Election of 2014-2015 Executive Committee

Upon motion by Mr. Socarides, seconded by Mr. Belluck, the following resolution was approved by affirmative votes from all present.

Resolved that the following Trustees be, and hereby are, elected to serve on the Executive Committee of the Board of Trustees for 2014-2015: H. Carl McCall, Chairman, *ex officio*; Joseph Belluck; Henrik Dullea; Ron Ehrenberg; Tina Good; Eunice Lewin; Lori Mould; Carl Spielvogel; Cary F. Staller, effective June 25, 2014.

(2014-46)

Chairman McCall announced that there will be another special Board meeting toward the end of July to discuss Chancellor Zimpher's evaluation process, Stony Brook and Southampton, and there may be a possible recommendation with respect to the selection of a Provost.

4. ADJOURNMENT

There being no further business, upon motion of Mr. Belluck, seconded by Mr. Socarides, the meeting was adjourned at 10:45 a.m.