

NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

R E S O L U T I O N No. 24-HF-976

APPROVING A SPECIFIED PROJECT OF THE HOUSING FINANCE AGENCY
(Personal Income Tax Revenue Bonds - 1760 Third Avenue)

WHEREAS, the New York State Public Authorities Control Board ("PACB"), created pursuant to Chapter 38, Laws of 1976, as amended, is empowered by Section 51 of the Public Authorities Law to receive applications from designated public benefit corporations, including the Housing Finance Agency ("HFA"), for approval of the acquisition, rehabilitation, construction or financing of any project proposed by any such public benefit corporation; and

WHEREAS, PACB has duly received an application from HFA for approval of the rehabilitation and adaptive reuse of a former 19-story college dormitory at 1760 Third Avenue in New York County, expected to create 433 revenue-generating housing units, expected to be set aside for households with income at or below 65% of the Area Median Income adjusted for family size for the New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area ("AMI"), of which 261 units are expected to be supportive housing units ("Supportive Units") set aside for residents with income at or below 30% of AMI, with 217 Supportive Units covered by the NYC 15/15 award administered by the New York City Human Resources Administration and serving 177 formerly homeless individuals and 40 young adults, and 44 Supportive Units reserved for individuals with serious mental illness, benefiting from a "Supportive Housing Single Room Occupancy

(SP-SRO) Housing for Adults with Serious Mental Illness" administered by the New York State Office of Mental Health, all known as 1760 Third Avenue (the "Project") to be partially financed through the issuance of one or more series of fixed-rate or variable-rate, taxable or tax-exempt bonds in accordance with applicable provisions of the Internal Revenue Code of 1986, as amended, with a final maturity of not more than 30 years (the "Bonds") in an amount not to exceed \$29,150,000; and

WHEREAS, the Bonds will be issued under the State Personal Income Tax Revenue Bonds (Economic Development and Housing) General Bond Resolution, adopted by the HFA Members on February 6, 2003, as supplemented; and

WHEREAS, the Bonds will be special obligations of HFA secured by, and repaid from, payments to be made under a Financing Agreement between HFA and the State of New York (the "State"), acting through the Director of the Budget, from amounts deposited in the Revenue Bond Tax Fund created under Section 92-z of the State Finance Law; and

WHEREAS, payments of principal of and interest on the Loan (as defined below) are expected to reimburse the State for such Financing Agreement payments; and

WHEREAS, to the extent the Bonds are issued as tax-exempt bonds, such Bonds may require an allocation of the State's Private

Activity Bond Cap; and

WHEREAS, HFA intends to award the Bonds by either a negotiated sale or a private placement; and

WHEREAS, HFA expects to finance the Project through a mortgage loan (the "Loan") to 1760 Third Avenue Housing Development Fund Corporation or another single-purpose entity controlled by Breaking Ground II Housing Development Fund Corporation ("Breaking Ground"), a 501(c)(3) not-for-profit corporation, whose president is Brenda Rosen, or another entity acceptable to HFA, and the developer is Breaking Ground, in the maximum aggregate amount of \$29,150,000, with the Loan amortizing over not more than 50 years; and

WHEREAS, the total estimated development cost of the Project is approximately \$279,725,126 ("Total Development Cost") comprising the requested bond financing, an HFA subsidy loan, one or more subordinate mortgage loans from New York City Department of Housing Preservation and Development's ("HPD") Supportive Housing Loan Program ("SHLP") and Reso A Funds, a subsidy loan from the New York State Office of Temporary and Disability Assistance Homeless Housing Assistance Program, capital funding from the New York State Office of Mental Health, accrued interest during construction, deferred developer fee, and a sponsor loan; and

WHEREAS, the Loan will be secured by supplemental security provided by Wells Fargo Bank N.A., during construction and by the

SONYMA Mortgage Insurance Fund during the permanent loan period;
and

WHEREAS, if upon final certification of costs of the Project it is determined that the costs of the Project that are eligible for tax-exempt reimbursement are lower than anticipated, requiring the redemption of tax-exempt Bonds previously issued, then HFA may redeem said amount of the tax-exempt Bonds and issue a like amount of taxable Bonds provided that the aggregate amount of Bonds outstanding at any time does not exceed \$29,150,000; and

WHEREAS, a copy of the HFA's application has been duly filed with the Comptroller and he has had an opportunity to comment;

NOW, THEREFORE, BE IT RESOLVED, that PACB approves the Project identified below, in accordance with Section 51 of the Public Authorities Law:

Project Description

1760 Third Avenue

The adaptive reuse of a former 19-story college dormitory building to create four hundred thirty-four (434) residential units (New York County)

SOURCES AND USES

Sources of Funds - Construction

Estimated Amount

Total Project

HFA First Mortgage	\$	26,500,000.00
HFA SHOP-NC	\$	64,017,659.52
OMH Capital Grant	\$	21,000,000.00
HPD SHPL	\$	126,000,000.00
HPD Accrued Interest during Construction	\$	17,207,466.67
Resolution A	\$	2,000,000.00
HHAP	\$	10,000,000.00
Sponsor Equity	\$	2,500,000.00
Deferred Developer Fee	\$	10,500,000.00
Total Sources	\$	279,725,126

Sources of Funds - Permanent

Estimated Amount

Total Project

HFA First Mortgage-501c3 Bonds	\$	26,500,000
HFA First Mortgage - OMH	\$	21,000,000
HFA SHOP-NC	\$	71,866,824
HPD SHPL	\$	126,000,000
HPD Accrued Interest during Construction	\$	17,207,467
Resolution A	\$	2,000,000
HHAP	\$	10,000,000
Sponsor Equity	\$	2,500,000
Deferred Developer Fee	\$	2,650,835
Total Sources	\$	279,725,126

Uses of Funds

Project Cost	\$	277,829,950
Cost of Issuance	\$	1,802,426
Bond Issuance Fee	\$	92,750
Total Uses	\$	279,725,126

Maximum Amount of Bonds to be Issued:
Not to Exceed \$29,150,000 Outstanding at Any Time

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The resolution shall become effective upon:


1. A determination by the HFA of the availability of Total Development Cost;
2. Receipt of a rating on the Bonds of not less than "A" from any nationally recognized rating agency from which a rating is requested; and
3. The award of Bonds at negotiated sale or private placement at an initial interest rate not to exceed 7.50%.



Blake G. Washington, Chair
Public Authorities Control Board

 for

Steven Otis, Member of the Board

 for

Leroy Comrie, Member of the Board

24-HF-976

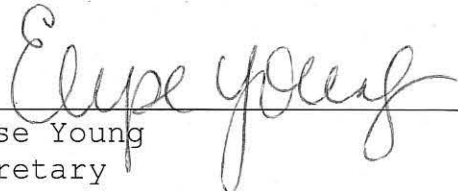
Date: November 20, 2024

CERTIFICATION

STATE OF NEW YORK
COUNTY OF ALBANY ss.

I, Elyse Young, Secretary of the New York State Public Authorities Control Board, do hereby certify that at a meeting of such Board, held on November 20, 2024, the attached resolution was duly adopted by the unanimous vote of the Members of the Board. The resolution attached is a true copy of the resolution and the certification of the determination made by such resolution and of the signatures thereto of each of the Members of the Board or their duly appointed representatives, the original of which is on file in my office. As of the date of this certification, such resolution has not been modified, superseded, amended or repealed and remains in full force and effect.

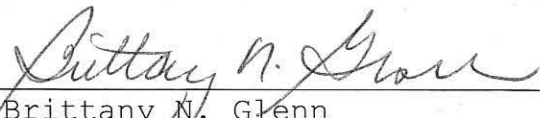
In witness thereof I have hereunto set my hand this 20th day of November 2024.



Elyse Young
Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 20th day of November 2024, before me personally came Elyse Young to me known, who, being by me duly sworn, did depose and say that she is the Secretary of the New York State Public Authorities Control Board, that she executed the foregoing certification and that the contents thereof are true.



Brittany N. Glenn
Notary Public, State of New York
No. 01GL6253075
Qualified in Rensselaer County
Commission Expires: 12/19/2027