

NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

R E S O L U T I O N No. 24-HF-952

APPROVING A SPECIFIED PROJECT OF THE HOUSING FINANCE AGENCY
(Perry Homes I)

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 by any such public benefit corporation; and

WHEREAS, the PACB has duly received an application from HFA for approval of the financing of construction of 27 new buildings collectively including 405 revenue-generating units and ancillary amenity space, all affordable at 60% of the Area Median Income for the Buffalo-Cheektowaga-Niagara Falls Metropolitan Statistical Area ("AMI), to be known as Perry Homes I (the "Project"), located in the City of Buffalo (Erie County), to be partially financed through the issuance of bonds in an amount outstanding at any one time not to exceed \$141,000,000 (the "Maximum Bond Amount") with a term not to exceed 35 years (the "Bonds"); and

WHEREAS, HFA intends to provide construction and permanent financing for the Project through the issuance of the Bonds which

may bear interest at a variable, adjustable or fixed rate, including a variable rate based on an index or a rate that is fixed to a mandatory tender date; and

WHEREAS, HFA is authorized to issue its bonds on an unrated, private placement basis, and has determined to issue the Bonds on an unrated, private placement basis; and

WHEREAS, the applicable legislation requires that HFA's unrated bonds may be purchased by a bank, national bank, trust company, savings bank, savings and loan association, insurance company, governmental agency of the United States or any wholly-owned subsidiary or combination thereof; and

WHEREAS, the unrated privately placed Bonds will either: (i) be subject to a "Default Avoidance Mechanism" whereby prior to asserting bondholder remedies in the event of the Borrower's payment default, or event of non-compliance under the HFA Regulatory Agreement or the failure to successfully remarket the unrated privately placed Bonds, bondholders must tender their unrated privately placed Bonds to HFA for cancellation in exchange for an assignment of the Loan; or (ii) be secured by a letter of credit issued by in an amount equal to the principal amount of the Bonds plus an amount determined by HFA to be sufficient to cover payments of interest on the Bonds, to be issued by Fannie Mae or another financial institution acceptable to HFA; and

WHEREAS, to the extent permitted by law, the Bonds may subsequent to their initial issuance be remarketed or reoffered on a public, negotiated basis upon receipt of a rating on the Bonds of not less than "A/VMIG1" from any nationally recognized rating agency from which a rating is requested; and

WHEREAS, to the extent the Bonds are issued as tax-exempt bonds, such Bonds will require an allocation of the State's Private Activity Bond Cap; and

WHEREAS, HFA expects to finance the Project through a mortgage loan (the "Loan") to Perry Homes I LLC (the "Borrower"), or another single-purpose entity controlled by Pennrose Holdings, LLC, DSD Development Holdings, LLC, and Bridges Development Inc., in an aggregate principal amount equal to the principal amount of the Bonds; and

WHEREAS, the total estimated cost of development of the Project is \$253,003,109 ("Total Development Cost"), which is expected to be funded from Bond proceeds, HFA subsidy loans, federal and state low income housing and other tax credit equity, and other sources; 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 one time does not exceed the Maximum Bond Amount; and

WHEREAS, a copy of 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:

(Continued on Next Page)

PROJECT IDENTIFICATION

Project Description

Perry Homes I

The acquisition and new construction of 405 units contained in 27 buildings in the City of Buffalo.

(Erie County)

SOURCES AND USES

Sources of Funds - Construction

Estimated Amount

Total Project

HFA First Mortgage (Permanent Loan)	\$	22,550,000
HFA First Mortgage (Construction Loan)	\$	101,010,000
HFA PHP	\$	53,414,184
HFA FHTF	\$	16,071,609
HCR Accrued Interest during Construction	\$	5,131,323
Federal Low Income Housing Tax Credits	\$	15,118,556
Federal 45L (IRA Zero Energy) Tax Credits	\$	1,619,838
BMHA Capital Funds	\$	6,000,000
City of Buffalo CDBG	\$	1,100,000
City of Buffalo Restore NY	\$	5,000,000
RAD Rehab Assistance Payments (RAP)	\$	3,707,232
Reserves Incurred After Completion	\$	3,629,889
Deferred Developer Fee	\$	18,650,478

Total Sources \$ 253,003,109

Sources of Funds - Permanent

Estimated Amount

Total Project

HFA First Mortgage (Permanent Loan)	\$	22,550,000
HFA PHP	\$	65,627,453
HFA FHTF	\$	16,072,109
HFA CEI	\$	1,375,000
HCR Accrued Interest during Construction	\$	5,131,323
Federal Low Income Housing Tax Credits	\$	100,790,373
State Low Income Housing Tax Credits	\$	14,000,000
Federal 45L (IRA Zero Energy) Tax Credits	\$	1,619,838
BMHA Capital Funds	\$	6,000,000
City of Buffalo CDBG	\$	1,100,000
City of Buffalo Restore NY	\$	5,000,000
RAD Rehab Assistance Payments (RAP)	\$	5,016,576
Fannie Mae Forward Commitment Fee Refund	\$	225,500
Deferred Developer Fee	\$	8,494,937

Total Sources \$ 253,003,109

Uses of Funds

Project Cost	\$	248,737,296
Cost of Issuance	\$	3,227,909
Bond Issuance Fee	\$	1,037,904
Total Uses	\$	253,003,109

Maximum Amount of Bonds to be Issued:
Not to Exceed \$141,000,000 Outstanding at Any Time

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The resolution shall become effective upon:

1. A determination of the availability of Total Development Cost; and
2. The Bonds will be issued pursuant to a private placement at an initial interest rate not to exceed 7.50% per annum.



Blake G. Washington, Chair
Public Authorities Control Board



Kenneth Zebrowski,
Member of the Board



Leroy Comrie,
Member of the Board

24-HF-952

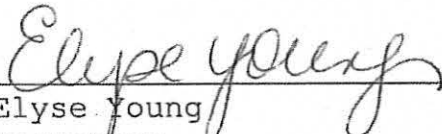
Dated: March 20, 2024

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 March 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.

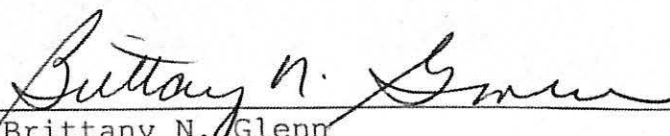
In witness thereof I have hereunto set my hand this 20th day of March 2024.



Elyse Young
Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 20th day of March 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