



**DASNY**

**ANDREW M. CUOMO**  
Governor

**ALFONSO L. CARNEY, JR.**  
Chair

**GERRARD P. BUSHELL**  
President

***Memorandum***

**TO:** Jack D. Homkow, Director, Office of Environmental Affairs

**FROM:** Robert S. Derico, R.A., Senior Environmental Manager

**DATE:** January 9, 2017

**RE:** *State Environmental Quality Review* Type II Determination for NYSARC, Inc.'s *Refunding of Outstanding DASNY's Revenue Bonds and the Refinancing and Renovation at Various Participating Chapters* — Other Independent Institutions Program

DASNY ("Dormitory Authority State of New York") has received a request for financing from NYSARC, Inc. ("NYSARC") for the financing of projects for its member chapters throughout New York State. Based on a review of the attached Credit Summary Update, dated January 4, 2017, it has been determined that the Proposed Action would consist of DASNY's authorization of the issuance of one or more series of fixed-rate, tax-exempt and/or taxable bonds in an amount not to exceed \$45,000,000 of DASNY obligations to be sold through a negotiated offering on behalf of NYSARC.

The proceeds of the tax-exempt bond issuance would be used as a pool to finance the Proposed Projects of 6 of the 54 member chapters of NYSARC. The 6 chapters participating in the bond issue are seeking to finance 15 individual projects<sup>1</sup> of which 14 would be covered under this determination. The remaining project to be funded under this bond issuance was the subject of a separate *State Environmental Quality Review* ("SEQR") determination.

It is permissible for this project to undergo a separate *SEQR* determination because: (a) the individual projects have no cumulative environmental effect on the environment; (b) none of the other projects are functionally dependent on the other projects funded under this proposal for implementation; and (c) the project sites are geographically separated throughout New York State.

Additionally, the proposed bond issue would include NYSARC's refunding of all, or a portion thereof, of DASNY's NYSARC, Inc. Revenue Bonds, Series 2007B (\$7.4 million), and Series 2009A (\$28.2 million).

NYSARC, Inc., the borrower, is a New York not-for-profit corporation, which was first incorporated in 1949 and is a leading advocate for the rights of intellectually and developmentally disabled persons in New York State. NYSARC seeks to improve the lives of people with disabilities both by influencing public policy and opinion and by offering a full range of programs operated by its

---

<sup>1</sup> The six member chapters of NYSARC, Inc. participating in this bond issuance are: Franklin-Hamilton (Adirondack ARC, 3 Projects), Putnam (1), Saratoga Bridges (2), St. Lawrence ARC (5), Ulster-Greene ARC (3), and Warren Washington ARC (1).

chapters. NYSARC's direct services to its clients are delivered through its 54 local operating chapters, each of which is chartered by NYSARC for a specific geographic jurisdiction. Local chapters are not separately incorporated and function as divisions of NYSARC. Each of the 54 local chapter's operations is authorized by NYSARC's board of governors. Each local chapter's officers are responsible for the local chapter's daily operations.

NYSARC's central office staff provides technical assistance in areas which include the interpretation of laws and regulations, training programs, one-to-one advocacy and, on occasion, direct management of chapters as deemed necessary by the Executive Committee or at the request of a chapter's board of directors. Even though NYSARC's individual chapters operate independently of each other, overall financial and corporate management decisions are governed by NYSARC's central office. The central office of NYSARC provides strong fiscal monitoring for the finances of each chapter. The chapters are monitored monthly and detailed procedures are implemented if problems arise.

NYSARC provides a variety of programs and services that New York State is mandated to provide under court rulings to meet the individual needs of the persons served. NYSARC's clients come from both State institutions and community settings. The 54 local chapters currently serve over 60,000 persons and employ approximately 30,000 staff throughout New York State.

**SEQR Determination.** DASNY completed this environmental review in accordance with the *State Environmental Quality Review Act ("SEQRA")*, codified at Article 8 of the *New York Environmental Conservation Law ("ECL")*, and its implementing regulations, promulgated at Part 617 of Title 6 of the *New York Codes, Rules and Regulations ("N.Y.C.R.R.")*, which collectively contain the requirements for the SEQR process. The replacement, rehabilitation, or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building or fire codes and the refunding of existing debt are Type II actions as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(2) and 6 *N.Y.C.R.R.* § 617.5(c)(23) of SEQR, respectively,. Type II "actions have been determined not to have significant impact on the environment or are otherwise precluded from environmental review under Environmental Conservation Law, article 8." Therefore, no further SEQR determination or procedure is required for any components of the Proposed Projects identified as Type II.

The Proposed Projects were also reviewed in conformance with the *New York State Historic Preservation Act of 1980 ("SHPA")*, especially the implementing regulations of section 14.09 of the *Parks, Recreation and Historic Preservation Law ("PRHPL")*, as well as with the requirements of the Memorandum of Understanding ("MOU"), dated March 18, 1998, between DASNY and the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP"). In compliance with Article III, Section 3.0 of the MOU, OPRHP would be notified of the Proposed Projects being funded with bond proceeds. It is the opinion of DASNY that the Proposed Projects would have no impact on historical or cultural resources in or eligible for inclusion in the National and/or State Registers of Historic Places.

Attachment

cc: Sara P. Richards, Esq.  
Donna A. Rosen, Esq.  
Steven J. Kosier  
SEQR File  
OPRHP File

# Credit Summary Update

NYSARC, Inc.  
Latham, New York

January 4, 2017

Program: Other Independent Institutions

Purpose: New Money, Refinancing and Refunding

## New Issue Details

One or more series of fixed rate, tax-exempt and/or taxable bonds in an amount not to exceed \$45,000,000 are to be sold through a negotiated offering.

- Lead Manager – Raymond James & Associates, Inc.
- Co-Bond Counsel – Barclay Damon, LLP  
Marous Law Group, P.C.
- Underwriter's Counsel – Bond Schoeneck & King

## Purpose

- Financing of new money projects including Individualized Residential Alternatives and Administrative Facilities for participating Chapters (\$2.2 million).
- Refinancing of taxable indebtedness including Individualized Residential Alternatives, Day Habilitation, and Administrative Facilities for participating Chapters (\$5.5 million).
- Refunding of all or a portion of DASNY's NYSARC, Inc. Revenue Bonds Series 2007A (\$2.4 million), Series 2007B (\$7.4 million), and Series 2009A (\$28.2 million).

## Security

- Pledge and assignment of public funds allocable to participating NYSARC Chapters.
- The statutory authority to intercept this aid in the event NYSARC defaults in the payment of debt service under the Loan Agreement or fails to replenish the Debt Service Reserve Fund after a withdrawal.
- Mortgages on certain real property as required by DASNY.
- Debt Service Reserve Fund.

**Rating:** Aa2

## Overview

NYSARC, Inc., the borrower, is a leading advocate and service provider for the developmentally disabled. Chartered in 1949, NYSARC is a not-for-profit corporation that, through its 54 chapters, currently serves over 60,000 persons and employs approximately 30,000 staff in the State of New York. NYSARC's clients come from both State institutions and the community. Even though NYSARC's individual chapters operate independently of each other, overall

financial and corporate management decisions are governed by NYSARC's central office. The central office of NYSARC provides strong fiscal monitoring for the finances of each chapter. The chapters are monitored monthly and detailed procedures are implemented if problems arise.

Throughout the State, NYSARC provides a continuum of care and services from infant stimulation services to programs for senior citizens. NYSARC's goal is to provide developmentally disabled individuals with the same opportunities for education, training, rehabilitation, employment, and housing as others in the rest of the population.

## Description of the Series 2017 Bonds

- The Bonds are a special obligation of DASNY.
- The Loan Agreement is a general obligation of NYSARC.
- The Bonds are payable from payments made under the Loan Agreement and all funds and accounts established under the Resolution.

## Approvals

- Resolution to Proceed – July 20, 2016
- PACB Approval – August 17, 2016
- TEFRA Hearing – November 22, 2016
- SEQR Filing – January 9, 2017\*

\*Anticipated date.

## Recent Information

The project list has changed as the participating Chapters reassessed their financing needs. The Expected Project List is provided as Revised Attachment I.

Moody's Investor Services published a rating of Aa2 on the proposed bond issue.



DASNY



NYSARC, Inc.  
Expected Project List

Chapter	OPWDD PPA or Non-PPA	Facility Type	Project Address	New Money	Refinancing
Franklin-Hamilton	PPA	IRA	43 Brockway Road, North Bangor, NY 12966	\$ -	\$ 275,360.00
	PPA	IRA	45 Lewis Road, Chateaugay, NY 12920	-	258,396.00
	Non-PPA	Admin	125 Catherine Street, Malone NY 12953	225,205.80	465,457.20
				<b>\$ 225,205.80</b>	<b>\$ 999,213.20</b>
Putnam	PPA	Admin/Dayhab	571-575 Drewville Road, Carmel, NY 10512	\$ 1,697,939.30	\$ 1,012,111.70
				<b>\$ 1,697,939.30</b>	<b>\$ 1,012,111.70</b>
Saratoga	PPA	IRA	490 Grooms Rd., Clifton Park, NY 12065	\$ 185,000.00	\$ -
	PPA	ICF	188 Ruggles Rd., Saratoga Springs, NY 12866	70,000.00	-
				<b>\$ 255,000.00</b>	<b>\$ -</b>
St. Lawrence	PPA	IRA	274 River Road, Edwards, NY 13635	\$ -	\$ 20,205.00
	PPA	IRA	82 Allison Road, Waddington, NY 13694	-	22,312.00
	PPA	Day Hab	6 Commerce Lane, Canton, NY 13617	-	118,252.00
	PPA	IRA	76 Dana Street, Massena, NY 13662	-	19,841.00
	PPA	IRA	13 Stephenville St, Massena, NY 13662	-	65,925.00
			<b>\$ -</b>	<b>\$ 246,535.00</b>	
Ulster-Greene	PPA	IRA	8 Honeysuckle Lane, Catskill, NY 12414	\$ -	\$ 448,519.00
	PPA	IRA	471 Crescent Ave, Highland, NY 12528	-	808,540.00
	PPA	IRA	309 Ashokan Rd., Marbletown, NY 12484	-	641,600.00
			<b>\$ -</b>	<b>\$ 1,898,659.00</b>	
Warren-Washington-Albany	Non-PPA	Admin	436 Quaker Road, Queensbury, NY 12804	\$ -	\$ 1,358,291.00
				<b>\$ -</b>	<b>\$ 1,358,291.00</b>
Number of Chapters:				3	5
Number of Facilities				4	13
Total Amount				<b>\$ 2,178,145.10</b>	<b>\$ 5,514,809.90</b>

NYSARC, INC.

The Letter of Bond Counsel in connection with the above referenced transaction will be transmitted to the Members under separate cover.

# Credit Summary

NYSARC, Inc.  
Delmar, New York

July 8, 2016

Program: Other Independent Institutions

Purpose: New Money, Refinancing and Refunding

## New Issue Details

Approximately \$36,825,000 in one or more series of fixed rate, tax-exempt and/or taxable Series 2016 Bonds with terms not to exceed 25 years, are to be sold through a negotiated offering.

### Purpose

- Financing of approximately 14 new money projects including Individualized Residential Alternatives and Day Habilitation Facilities for approximately 4 participating Chapters (\$1.5 million).
- Refinancing of taxable indebtedness for approximately 15 projects for approximately 6 participating Chapters (\$5.5 million).
- Refunding of all or a portion of DASNY's NYSARC, Inc. Revenue Bonds Series 2007A (\$2.4 million), Series 2007B (\$7.4 million), and Series 2009A (\$28.2 million).

### Security

- Pledge and assignment of public funds allocable to participating NYSARC Chapters.
- The statutory authority to intercept this aid in the event NYSARC defaults in the payment of debt service under the Loan Agreement or fails to replenish the Debt Service Reserve Fund after a withdrawal.
- Mortgages on certain real property as required by DASNY.
- Debt Service Reserve Fund.

**Expected Ratings:** Aa2

## Overview

NYSARC, Inc., the borrower, is a leading advocate and service provider for the developmentally disabled. Chartered in 1949, NYSARC is a not-for-profit corporation that, through its 54 chapters, currently serves over 60,000 persons and employs approximately 30,000 staff in the State of New York. NYSARC's clients come from both State institutions and the community. Even though NYSARC's individual chapters operate independently of each other, overall financial and corporate management decisions are governed by NYSARC's central office. The central office of NYSARC provides strong fiscal monitoring for the finances of each chapter. The chapters are

monitored monthly and detailed procedures are implemented if problems arise.

Throughout the State, NYSARC provides a continuum of care and services from infant stimulation services to programs for senior citizens. NYSARC's goal is to provide developmentally disabled individuals with the same opportunities for education, training, rehabilitation, employment, and housing as others in the rest of the population.

## Strengths

- Organization: NYSARC is the oldest and largest provider of services for the developmentally disabled population in New York State.
- Profitability: NYSARC has a consistent record of operating profitability with an average operating margin of 1.9% over the last five years.
- Prior Property Approvals ("PPAs"): Of the approximately 29 projects to be funded under this bond issue, approximately 24 projects are supported by the Office for People with Developmental Disabilities with PPAs.
- Standby Intercept of Public Funds: DASNY has the right to intercept certain public funds otherwise payable to NYSARC to meet its debt service obligations.
- State Mandated and Supported Services: The programs and services provided by NYSARC are State mandated and supported.
- Savings: The refundings are expected to produce net present value savings of approximately \$3.6 million, or 10.5% of the bonds being refunded.

## Risks/Challenges

- Reimbursement Risk: The Projects are funded through reimbursement from State agencies. The agencies receive much of their funding through State appropriations, which, if decreased, may have a negative impact on NYSARC's revenues.

## Recommendation

NYSARC has a long history of providing essential services to the developmentally disabled. NYSARC's central office provides strong fiscal monitoring for the finances of every chapter and NYSARC has a history of operating profitability. Staff recommends that the Board adopt a Resolution to Proceed for this financing for a principal amount not to exceed \$45,000,000.

## NYSARC, Inc.

**INSTITUTION:** NYSARC, Inc. ("NYSARC") is a New York not-for-profit corporation, which was first incorporated in 1949 and is a leading advocate for the rights of intellectually and developmentally disabled persons in New York State. NYSARC seeks to improve the lives of people with disabilities both by influencing public policy and opinion and by offering a full range of programs operated by its chapters.

NYSARC's direct services to its clients are delivered through its 54 local operating chapters, each of which is chartered by NYSARC for a specific geographic jurisdiction. Local chapters are not separately incorporated and function as divisions of NYSARC.

Each of the 54 local chapter's operations is authorized by NYSARC's board of governors. Each local chapter's officers are responsible for the local chapter's daily operations.

NYSARC's central office staff provides technical assistance in areas which include the interpretation of laws and regulations, training programs, one-to-one advocacy and, on occasion, direct management of chapters as deemed necessary by the Executive Committee or at the request of a chapter's board of directors. Even though NYSARC's individual chapters operate independently of each other, overall financial and corporate management decisions are governed by NYSARC's central office. The central office of NYSARC provides strong fiscal monitoring for the finances of each chapter. The chapters are monitored monthly and detailed procedures are implemented if problems arise.

NYSARC provides a variety of programs and services that the State is mandated to provide under court rulings to meet the individual needs of the persons served. NYSARC's clients come from both State institutions and community settings. The 54 local chapters currently serve over 60,000 persons and employ approximately 30,000 staff.

The chapters receive their revenues primarily by providing services through licensed programs certified by New York State Office for People with Developmental Disabilities ("OPWDD"), State Education Department ("SED"), Department of Health ("DOH"), and Office of Mental Health ("OMH"). Approximately 85% of all of NYSARC's revenues are derived from OPWDD, 6% from SED, 5% from DOH, 0.6% from OMH, and the remaining revenues are attributable to

contributions, fund-raising, and interest earnings. NYSARC's total revenues have grown from approximately \$164 million in 1983 to over \$1.7 billion in 2014. NYSARC has a consistent record of operating profitability with an average operating margin of 1.9% over the last five years.

**DASNY Financing History:** DASNY's experience with NYSARC dates back to 1988. Each financing is separately secured. The financings are designed to make low cost capital available to NYSARC and its chapters to maintain and enhance their ability to provide essential service to persons with disabilities. The outstanding indebtedness of NYSARC issued through DASNY as of June 30, 2016 can be seen in Table 1 that follows.

**Table 1 – Outstanding DASNY Debt**

Series	Final Maturity / Defeased	Amount Issued	Amount Outstanding
1988	2001	\$ 12,030,000	\$ 0
2000A	2012	11,725,000	0
2000B	2002	420,000	0
2001A	2012	38,945,000	0
2001B	2003	530,000	0
2002A	2012	10,460,000	0
2002B	2004	255,000	0
2004A	2028	10,865,000	0
2004B	2006	130,000	0
2005A	2034	39,385,000	0
2007A	2021	11,045,000	3,090,000
2007B	2036	13,520,000	6,590,000
2007C	2009	135,000	0
2009A	2038	46,150,000	28,165,000
2010A	2035	42,855,000	28,610,000
2012A	2032	25,750,000	16,865,000
2015A	2034	35,050,000	35,050,000
2015B	2017	<u>1,305,000</u>	<u>1,305,000</u>
		\$300,555,000	\$119,675,000

NYSARC has always met its obligations to DASNY on time and in full.

**THE PROJECTS:** Attachment I provides a listing of the NYSARC chapters that are anticipated to participate, the Projects they wish to finance, and their respective costs. As depicted in the attachment, many of the Projects are refinancings of bank loans used to finance either individualized residential alternatives or day habilitation facilities. The total project cost of the approximately 29 facilities equals approximately \$7.0 million. The

Projects are located throughout New York State and are being undertaken by approximately 7 NYSARC chapters.

**THE REFUNDINGS:** NYSARC is expected to advance refund all or a portion of the Dormitory Authority of the State of New York NYSARC, Inc. Insured Revenue Bonds, Series 2007A, Series 2007B and Series 2009A. Attachment II provides a savings analysis where gross savings of approximately \$10 million, present value savings of approximately \$8.3 million and net present value savings of approximately \$3.6 million are anticipated. The term of the refunding bonds will not exceed that of the refunded bonds.

**FINANCING DETAILS:** Issuance expenses, including the underwriter's discount, are estimated at approximately \$740,000. It is expected that the debt service reserve fund requirement will be approximately \$2.4 million. Approximately \$6.7 million from the Series 2007A, Series 2007B and Series 2009A bonds debt service reserve funds are expected to be available for the refundings. With a current estimate of \$4.6 million in premium issuance, the Projects and refundings are expected to require a bond issue with a par of approximately \$36.8 million. Staff is requesting a not to exceed amount of \$45 million. The estimated sources and uses of funds for the refundings are provided in Attachment III.

**Security Provisions:** The Series 2016 Bonds are expected to be financed as unenhanced obligations. The bonds will be secured by a pledge of certain of NYSARC's revenues, and a debt service reserve fund will be established from bond proceeds. Pursuant to law, DASNY has the right to intercept public funds otherwise payable to NYSARC to meet its debt service obligations. DASNY has the statutory authority to intercept public funds in the event NYSARC defaults on its payment of debt service under the Loan Agreement or fails to replenish the Debt Service Reserve Fund after a withdrawal.

NYSARC's obligations to DASNY under the Loan Agreement will also be secured by mortgages on certain properties. If a withdrawal is made from the debt service reserve fund established for the Series 2016 Bonds and is not reimbursed within 30 days, DASNY is obligated to assign the mortgages to the Trustee. If the balance of the debt service reserve fund is restored to its requirement, any mortgage that has not been foreclosed is required to be reassigned to DASNY upon request. Unless the mortgages are assigned by DASNY to the Trustee, none of the mortgages will be pledged as

security to the bondholders of the Series 2016 Bonds.

**OPWDD Prior Property Approval Process ("PPA"):** OPWDD PPA projects are supported through contract and reimbursement arrangements with OPWDD. Prior to initiating the development of a project to serve developmentally disabled individuals, a non-profit provider is required to obtain a Prior Property Approval ("PPA") from OPWDD. The PPA identifies funding and financing sources for capital costs and the level and method of reimbursement to the provider. Medicaid reimbursement represents a substantial source of OPWDD revenue for service providers.

The State commits to support the development and operation of the project if it is completed in conformance with the PPA subject to annual appropriation of sufficient moneys by the State Legislature. More specifically, the PPA evidences OPWDD's commitment to pay funds directly to the provider sufficient to pay depreciation and interest payments associated with the financing of the facility.

As further evidence of the State's involvement with these facilities, it should be noted that prior to initiating the development of a project to serve individuals with developmental disabilities, a not-for-profit provider is required by regulation to complete a Certificate of Need ("CON") process. The CON is reviewed by the OPWDD Developmental Disabilities Services Office for compliance with local government and general State plans for needed development as to type of individuals to be served and the program to be provided.

Of the approximately 29 projects anticipated to be financed under this bond issue, approximately 24 projects totaling \$6.4 million or approximately 91.5% of all project costs are supported by OPWDD with PPAs.

Certain capital costs funded through OPWDD are not subject to the PPA process. However, each participating chapter is allocated its share of administrative costs through an administrative component of its rate. The depreciation and interest attributable to administrative and other non-PPA facilities are included in this component of the rate. Under the NYSARC statute, non-PPA revenues are also subject to intercept and are included in the revenues pledged pursuant to the Loan Agreement.

**OPWDD State Appropriations:** The State of New York has had a long commitment to ensuring that



people with developmental disabilities experience health and growth while living and participating in the communities of their choice. In the 2016-17 New York State budget, the appropriations for OPWDD total \$4.402 billion; an increase from the \$4.396 billion that was available for the 2015-16 fiscal year. The year-to-year increase of \$6 million is associated with an increase in required capital project appropriations. Approximately one-third of the total OPWDD appropriation is for the benefit of NYSARC. Even in years where appropriations have decreased, OPWDD has had a history of paying funds sufficient to pay depreciation and interest associated with the financing of the PPA approved facilities.

**FUTURE CAPITAL PLANS:** It is expected that NYSARC will continue to finance portions of its future capital needs with tax-exempt financing.

**SUMMARY:** NYSARC is one of the nation's largest providers of essential services to people with developmental disabilities. Access to low cost capital not only assists NYSARC, it indirectly benefits the State of New York by reducing the cost of borrowing. Availability of the intercept of State funding provides a secure source of revenue. As a result, staff recommends the adoption of a Resolution to Proceed with a financing in an amount not to exceed \$45,000,000.



NYSARC, Inc.  
Expected Project List

Chapter	OPWDD or Non-PPA	PPA	Facility Type	Project Address	New Money	Refinancing
Allegany	Non-PPA		Workshop	2718 Andover Road, Wellsville, NY 14895	\$ -	\$ 81,991.42
	Non-PPA		Transportation	50 Farnum St., Wellsville, NY 14895	19,500.00	-
	Non-PPA		Admin/Workshop	50 Farnum St., Wellsville, NY 14895	6,000.00	-
	Non-PPA		Admin	36 Madison St., Wellsville, NY 14895	40,000.00	-
	PPA		IRA	35 South Main Street, Alfred, NY 14802	40,000.00	-
	PPA		IRA	4209 Niles Hill Road, Wellsville, NY 14895	20,000.00	-
	PPA		IRA	5261 Route 31A, Belmont, NY 14813	15,000.00	-
	PPA		IRA	237 O'Connor Street, Wellsville, NY 14895	25,000.00	-
	PPA		Day Hab	240 O'Connor Street, Wellsville, NY 14895	40,000.00	-
	PPA		IRA	196 East Dyke Street, Wellsville, NY 14895	6,000.00	-
	PPA		IRA	28 Willets Ave., Belmont, NY 14813	6,000.00	-
				<b>\$ 217,500.00</b>	<b>\$ 81,991.42</b>	
Broome-Tioga	PPA		IRA	83-85 Sunset Drive, Binghamton, NY 13905	\$ -	\$ 125,072.08
	PPA		IRA	33 Rose Lane, Johnson City, NY 13790	-	134,962.69
	PPA		IRA	21 Carlton St, Johnson City, NY 13790	-	220,264.96
	PPA		Day Hab	125 Cutler Pond Road, Binghamton, NY 13905	-	488,598.45
				<b>\$ -</b>	<b>\$ 968,898.18</b>	
Franklin-Hamilton	PPA		IRA	43 Brockway Road, North Bangor, NY 12966	\$ -	\$ 162,787.08
	PPA		IRA	45 Lewis Road, Chateaugay, NY 12920	-	258,396.00
	Non-PPA		Admin	125 Catherine Street, Malone NY 12953	450,000.00	-
				<b>\$ 450,000.00</b>	<b>\$ 421,183.08</b>	
Putnam	PPA		Admin/Dayhab	571-575 Drewville Roadh, Carmel, NY	\$ -	\$ 2,745,176.00
					<b>\$ -</b>	<b>\$ 2,745,176.00</b>
Saratoga	PPA		IRA	490 Grooms Rd., Clifton Park, NY	\$ 185,000.00	\$ -
	PPA		ICF	188 Ruggles Rd., Saratoga Springs, NY	70,000.00	-
					<b>\$ 255,000.00</b>	<b>\$ -</b>
St. Lawrence	PPA		IRA	274 River Road, Edwards, NY 13635	\$ -	\$ 23,946.80
	PPA		IRA	82 Allison Road, Waddington, NY 13694	-	23,820.91
	PPA		Day Hab	63 1/2 B. South Main St, Norwood, NY 13668	-	123,879.26
	PPA		IRA	76 Dana Street, Massena, NY 13662	-	21,153.18
	PPA		IRA	13 Stephenville St, Massena, NY 13662	-	70,115.06
				<b>\$ -</b>	<b>\$ 262,915.21</b>	
Ulster-Greene	PPA		IRA	203 East Hampton Place, Syracuse, NY 13206	\$ -	\$ 379,082.00
	PPA		IRA	203 East Hampton Place, Syracuse, NY 13206	-	618,852.91
	PPA		IRA	600 S. Wilbur Ave, Syracuse, NY 13204	609,915.93	-
				<b>\$ 609,915.93</b>	<b>\$ 997,934.91</b>	
Number of Chapters:				4	6	
Number of Facilities				14	15	
Total Amount				<b>\$ 1,532,415.93</b>	<b>\$ 5,478,098.80</b>	



**NYSARC, Inc.  
Savings Analysis**

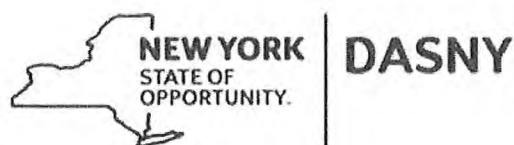
Date	Existing D/S	New D/S	Gross Savings	PV Savings
Jul-17	5,597,281	5,079,184	518,098	516,251
Jul-18	5,424,594	4,721,125	703,469	681,826
Jul-19	5,034,894	4,328,275	706,619	671,096
Jul-20	4,596,419	3,885,875	710,544	661,363
Jul-21	4,041,575	3,595,875	445,700	407,245
Jul-22	3,033,175	2,612,875	420,300	376,544
Jul-23	2,222,875	1,806,875	416,000	365,330
Jul-24	1,738,103	1,316,125	421,978	363,226
Jul-25	1,573,803	1,156,625	417,178	352,000
Jul-26	1,534,578	1,112,875	421,703	348,757
Jul-27	1,504,138	1,089,375	414,763	336,238
Jul-28	1,472,350	1,055,125	417,225	331,520
Jul-29	1,438,625	1,020,625	418,000	325,541
Jul-30	1,408,700	990,875	417,825	318,942
Jul-31	1,335,800	915,625	420,175	314,352
Jul-32	1,303,800	881,375	422,425	309,672
Jul-33	1,185,300	767,500	417,800	300,118
Jul-34	1,155,400	736,100	419,300	295,165
Jul-35	1,074,000	654,900	419,100	289,113
Jul-36	1,034,100	615,900	418,200	282,711
Jul-37	453,300	147,500	305,800	202,615
Jul-38	424,000	113,300	310,700	201,742
<b>Total</b>	<b>48,586,808</b>	<b>38,603,909</b>	<b>9,982,899</b>	<b>8,251,367</b>

**PRESENT VALUE ANALYSIS SUMMARY**

Total PV Debt Service Savings.....	8,251,367
Less: Prior Funds on Hand.....	(6,673,914)
Plus: Refunding funds on hand	<u>1,997,044</u>
<b>NET PRESENT VALUE BENEFIT.....</b>	<b>3,574,497</b>
 NPV BENEFIT OF BONDS BEING REFUNDED.....	 10.53%
NPV BENEFIT OF REFUNDING PRINCIPAL.....	11.86%

**REFUNDING BOND INFORMATION**

Refunding Dated Date.....	Oct-16
Refunding Delivery Date.....	Oct-16



**NYSARC, Inc.**  
**Sources and Uses of Funds**

<b>Sources of Funds:</b>	<b>Total</b>	
Bond Proceeds		
Par Proceeds	\$	36,825,000
Original Issue Premium		4,646,200
Other Sources of Funds		
Existing DSRF		6,673,914
<b>Total Sources</b>	<b>\$</b>	<b>48,145,114</b>
<b>Uses of Funds:</b>		<b>% of Par</b>
Project Fund Deposits		
Loan Payoff	\$	5,478,099
Project Fund		1,532,416
Refunding Escrow Deposits		
Series 2007A Refunding Escrow		2,389,833
Series 2007B Refunding Escrow		7,367,991
Series 2009A Refunding Escrow		28,199,981
Other Fund Deposits		
Debt Service Reserve Fund		2,435,425
Costs of Issuance		508,348
DASNY Fee	75,000	0.20%
Bond Counsel	125,000	0.34%
Printing	10,000	0.03%
Ratings	40,000	0.11%
Trustee & Counsel	5,000	0.01%
Institution's Counsel	75,000	0.20%
Financial Advisor	125,000	0.34%
Accountant	25,000	0.07%
Escrow Agent	5,500	0.01%
Verification Agent	5,000	0.01%
DAC Fee	10,000	0.03%
Miscellaneous	7,848	0.02%
Underwriter Discount		233,020
<b>Total Uses</b>	<b>\$</b>	<b>48,145,114</b>

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW  
YORK (DASNY) AUTHORIZING STAFF AND BOND COUNSEL TO  
PROCEED TO TAKE THE NECESSARY ACTION TO PREPARE  
THE APPROPRIATE DOCUMENTS TO PROVIDE FOR THE  
FINANCING OF FACILITIES FOR NYSARC, INC.

Resolved that the staff and bond counsel be authorized to proceed to take the necessary action and prepare the appropriate documents to provide for the financing of facilities for NYSARC, Inc., provided, however, that the adoption of this Resolution imposes no duty on the part of DASNY to issue obligations for or on behalf of NYSARC, Inc.

This Resolution shall take effect immediately.