

The Dormitory Authority of the State of New York Finance Committee Meeting was held by videoconference technology among DASNY's Offices in New York City, 28 Liberty Plaza, New York, New York and 515 Broadway, Albany, New York at 9:30 a.m. on Wednesday, October 8, 2025.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Gerard Ronski, Committee Chair, at 9:32 a.m. and a quorum was then declared present. The following Board Members and Staff were present:

Finance Committee Members Present – NYCO

Gerard Ronski, Esq., Finance Committee Chair
Alfonso L. Carney, Jr., Finance Committee Member
Janice McKinnie, Finance Committee Member

Other Board Members Present – NYCO

Joan M. Sullivan – Board Member
Kent Syverud – Board Member
Elizabeth Velez – Board Member

Other Board Members Present - Albany

Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)
Kenneth Evans – Designated Representative of the Commissioner of Health, Board Member (*ex officio*)
Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Other Board Members Absent

Lisa Gomez – Chair
Beryl L. Snyder, Esq., Secretary

Senior and Presenting Staff Members

Robert Rodriguez, President/CEO
Charlie Williams, Vice President
Stephen Curro, Managing Director, Construction
Kimberly Ellis, Chief Financial Officer
Portia Lee, Managing Director, Public Finance & Portfolio Monitoring
Jennifer Maglienti, General Counsel
Sara Potter Richards, Managing Director, Executive Direction
Matthew Moore, Deputy General Counsel
Ricardo Salaman, Deputy General Counsel
Matthew Bergin, Director, Public Finance
David Ostrander, Assistant Director, Public Finance & Portfolio Monitoring

Craig Schreivogl, Director, Portfolio Monitoring

Juan Reyes-Alvarez, Financial Analyst

Alex Sirdine, Senior Financial Analyst

PUBLIC SESSION

Approval of Meeting Minutes from the September 10, 2025 Finance Committee Meeting

Finance Committee Chair Gerard Ronski called the meeting to order and welcomed Members and Staff. The Minutes of the September 10, 2025 Finance Committee Meeting were then unanimously approved.

Orchard Park CCRC, Inc. d/b/a Fox Run at Orchard Park – Single Approval Financing

Mr. Ostrander stated that the Finance Committee is being asked to recommend to the full Board, a Single Approval transaction for a financing in an amount not to exceed \$75,000,000 with a term not to exceed 35 years on behalf of Orchard Park CCRC, Inc. d/b/a Fox Run at Orchard Park “Fox Run”.

Mr. Ostrander explained that this transaction is being undertaken as a Single Approval for a new client rated in the BBB category and staff is requesting an exception to DASNY’s Board Financing Authorization Policy as it relates to Single Approval by the Board. He stated that Fox Run is a not-for-profit corporation which operates a Continuing Care Retirement Community (“CCRC”) for individuals age 62 or older on a 54-acre campus in Orchard Park, just south of Buffalo. Mr. Ostrander further stated that Fox Run was granted a certificate of authority by the State in April 2006 and began operating in November 2007.

Mr. Ostrander informed the Members that the proceeds from the proposed issuance will finance the expansion of Fox Run’s independent living units along with the renovation and expansion of existing common spaces. Mr. Ostrander stated that the proposed issuance will be DASNY’s first financing on behalf of a CCRC, which are residential alternatives for adults that offer independent living units, residential amenities, and access to a continuum of long-term care services as residents' health and social needs change over time. He further stated that CCRCs in New York State provide health care options, offered through insurance-like contracts, to residents that meet both the financial and health criteria established by the CCRC.

Mr. Ostrander explained that CCRC revenues are derived from upfront entrance fees and monthly service fees paid by its residents. He stated that the one-time entrance fee is generally comparable to the value of residential homes in the geographic area, and the amount of the monthly fee is determined by the contract type and the size of the unit. He informed the Members that CCRCs are authorized under Article 46 of the Public Health Law and operate under the oversight of the New York State Department of Health and the New York State Department of Financial Services.

Mr. Ostrander stated that Fox Run currently offers 180 independent living units; 52 Assisted Living suites and 60 Skilled Nursing beds. He further stated that the independent living units are comprised of 30 patio homes and 150 apartments in a two-story apartment building, while the Assisted Living suites and the Skilled Nursing beds are housed within the Health Center. Mr. Ostrander further explained that since 2013, Fox Run has exceeded 90% occupancy in independent

living and has maintained an average occupancy of 98% for the last three calendar years. He stated that the wait list for independent living continues to grow, demonstrating the need for additional independent living units.

Mr. Ostrander stated that at the end of fiscal year 2024, Assisted Living occupancy was 94% and Skilled Nursing Occupancy was 87%. He noted that the Assisted Living and Skilled Nursing Facilities may be occupied by individuals who are not residents with life care contracts, but who pay on a per-diem basis, providing Fox Run with enhanced revenues and flexibility to accommodate additional contract holders.

Mr. Ostrander reported that Fox Run has posted positive operating margins in four of the last five years, and Operating Revenues grew by 14.0% between 2022 and 2024 due to increased Net Resident Service Revenue from improved post-pandemic occupancy levels in the Assisted Living and Skilled Nursing units. He informed the Members that Fox Run reported a Net Asset deficit of just under negative \$12 million as of fiscal year end 2024. He explained that as a CCRC, Fox Run reports refundable entrance fees as a liability on its balance sheet. Mr. Ostrander further explained that refundable entrance fees act as a component of a CCRCs permanent capitalization, as refunds to current residents are normally funded by entrance fee deposits of new residents entering the community. He noted that Fox Run's Net Asset deficit has decreased over time as positive operating margins and investment returns have added to Unrestricted Net Assets.

Mr. Ostrander informed the Members that as of fiscal year-end 2024, Fox Run reported \$32.4 million of cash and investments, an increase of 31% over five years. He stated that Article 46 requires that Fox Run maintain a minimum operating reserve in an amount equal to 35% of projected operating expenses, including refunds due within the next 12 months, an amount which currently represents approximately \$9.6 million.

Mr. Ostrander stated that the proposed expansion project will increase independent living units from 180 to 249 through the construction of three new independent living apartment wings and eight new patio home units. He further stated that the project will also include the renovation of existing common spaces to improve and expand existing amenities and programs. Mr. Ostrander informed the Members that the project has received DOH approval as well as the approval of the Department of Financial Services, with contingencies to be satisfied prior to construction. Mr. Ostrander explained that as a condition to its approval of the project, DOH requires submission of proof of execution of contracts for at least 50% of all units within the expansion, accompanied by a deposit of at least 10% of the entrance fee prior to the start of construction. He noted that for the new units, Fox Run was able to draw from its existing waitlist, began marketing the units in August and currently has 75% of the units sold.

Mr. Ostrander informed the Members that the Members are being asked to approve the issuance of approximately \$66.6 million in bonds through DASNY to finance the project, to fund capitalized interest and a debt service reserve fund, and to pay costs of issuance. He stated that the bonds are expected to be issued in two series: approximately \$36.8 million of tax-exempt, fixed rate 2025A Bonds; and approximately \$29.8 million of tax-exempt, fixed rate 2025B Bonds. Mr. Ostrander explained that it is customary with CCRC bond issues that the 2025B Bonds are anticipated to serve as bridge financing and will be paid down with entrance fees received for the new assisted living units once occupied. He further explained that the 2025B bonds are expected to have a final maturity in 2028 and will be paid down through mandatory redemption as funds are

received upon occupancy of the new units, and once the Series 2025B bonds are redeemed in full, only the Series 2025A Bonds will remain outstanding.

Mr. Ostrander stated that Fox Run is rated BBB by Fitch and security for the bonds is expected to include one or more Obligations issued under a Master Trust Indenture, which will be secured by a pledge of revenues and a mortgage.

Mr. Ostrander stated that the Board is being asked to authorize the bonds under a Single Approval in order to allow Fox Run to move forward with pricing the bonds later this month and enable them to break ground prior to the winter months.

Mr. Ronski inquired who monitors the conditions to confirm that contingencies are met prior to construction. Mr. Ostrander responded that both DOH and DFS have imposed certain contingencies related to the sale of the bonds. He stated that once the bonds are sold, most of the contingencies will be satisfied and DOH will then provide their final approval.

Mr. Ronski inquired about the disclosure provided to prospective residents of Fox Run so they understand the commitment. Mr. Ostrander responded that DOH would have more information regarding the detailed provisions of the residency agreement and the associated risks. Mr. Ronski asked Staff to confirm the provisions of the residency contract agreements and to report back to the Finance Committee regarding these provisions.

Mr. Carney inquired about the rationale for moving forward with a single approval exception for this transaction. He noted that this is a new type of financing for DASNY. Ms. Lee responded that timing is critical due to the impending winter weather in Buffalo. She explained that construction costs will increase if the fall start date slips. Ms. Lee stated that while DASNY has not financed CCRCs, they are authorized by Article 46 of the Public Health law, which evidences that State policymakers have made the determination that CCRCs are a reasonable healthcare option for the portion of the population that is looking for this type of comprehensive care. Mr. Ronski stated that the demand is supported by the number of commitments received at this point in time.

Ms. McKinnie stated that she is familiar with the Orchard Park area and many residents have the income level to afford a CCRC. She further stated that residents have likely planned for this living arrangement and are likely to have been apprised of the provisions of the agreements regarding the CCRC.

In response to an inquiry from Mr. Ronski, Ms. Lee stated that PACB will consider the financing at its meeting next week, and the Preliminary Official Statement would then be mailed. The pricing would likely occur at the end of October.

The Committee Members further discussed the transaction and acknowledged DASNY's statutory authorization to issue bonds on behalf of CCRCs, the approval of DOH and DFS, the stability of Fox Run, the demand for the facility, and DASNY Staff review of the transaction.

Ms. Lee informed the Committee Members that DOH and DFS spent a significant amount of time reviewing the transaction. She noted that there are 12 CCRCs in New York and that Fox Run has survived several significant economic downturns and emerged with strong financial results. Mr. Syverud asked for additional information about the Series 2025B Bonds. Mr. Ostrander explained

that the entrance fees are deposited into an account, and the funds from that account are used to pay down bonds over the 3 year term of the Bonds. He stated that investors are aware that the term of the bonds is for a shorter term.

Mr. Evans stated that Fox Run is a well-established CCRC that has had a presence in the community for a long period of time. He informed the Committee Members that the Department of Health supports this transaction from both Article 4644 and Article 28 perspectives. Mr. Evans explained that as a CCRC, the facility must have a nursing home, which is the Article 28 component. He confirmed that DOH has no issues or concern with respect to this transaction.

Ms. Lee stated that the contingencies in the DOH approval letter to be satisfied prior to construction start include the submission of the final updated disclosure statement, residency agreement and standard information sheet (prior to distribution to residents), that is properly updated for the latest/final financial feasibility study, actuarial study, and status of governmental approvals, all in a form acceptable to DFS.

The Committee Members unanimously agreed to recommend full Board Approval of the financing.

United Cerebral Palsy Associations of New York State, Inc. – Single Approval Financing

Mr. Sirdine stated that the Finance Committee is being asked to recommend to the full Board the authorization of one or more series of tax-exempt and/or taxable, fixed and/or variable rate bonds with a maturity not to exceed 30 years in an amount not to exceed \$28,000,000 on behalf of the United Cerebral Palsy Association of New York State, Inc. d/b/a Constructive Partnerships Unlimited (“CPU”).

Mr. Sirdine stated that proceeds from the Series 2025 Bonds are expected to be used to fund new capital projects and/or reimburse the Borrower for cash expended on capital projects; refinance taxable bank loans incurred by the Borrower to fund prior capital projects; and to refund all or a portion of the Borrower’s DASNY Series 2010 and Series 2014 Bonds. He explained that the new money projects consist of the purchase and/or renovation of approximately eight residential care facilities that support individuals with intellectual and developmental disabilities.

Mr. Sirdine informed the Committee Members that under the Public Authorities Law, DASNY is authorized to issue bonds on behalf of CPU and its affiliates. He explained that the statute provides DASNY with the authority to intercept funds from any State or local agency or social services district. Mr. Sirdine noted that this will be the sixth DASNY financing on behalf of CPU. He stated that CPU was established in 1946 to raise awareness, provide training, promote research, and advocate for services for children with cerebral palsy and related needs. Mr. Sirdine further stated that CPU provides comprehensive residential and rehabilitative services throughout New York City, Yonkers, and the Hudson Valley for people with intellectual and developmental disabilities. He informed the Committee Members that these services are essential and are state mandated.

Mr. Sirdine reported that security for the Bonds includes a pledge of public funds, subject to prior pledges, which may include other outstanding DASNY bonds issued on behalf of CPU, a Standby intercept of certain Public Funds, and a Debt Service Reserve Fund, if required.

Mr. Sirdine stated that the State has a long history of providing care for developmentally disabled persons. He further stated that over the past several decades, the State has provided these services by expanding community placement to replace state-operated facilities. Mr. Sirdine informed the Committee Members that OPWDD approves the services CPU provides through its Certificate of Need process. In addition, CPU's capital projects go through the Prior Property Approval, or PPA process. Mr. Sirdine explained that as part of the PPA approval process for new capital projects, CPU agrees to operate an OPWDD-approved program at the approved facility for a specified number of years and comply with all OPWDD regulations in order to be eligible for continued State funding. He further explained that the PPA evidences OPWDD's commitment to funding the project. Mr. Sirdine confirmed that all of the Series 2025 facilities have approved PPAs. He stated that a rating of Aa2 from Moody's is anticipated for this transaction.

The Committee Members unanimously agreed to recommend full Board Approval of the United Cerebral Palsy Associations of New York State, Inc. financing.

SUNY Upstate Medical Center – TELP - Resolution

Mr. Syverud informed the Committee Members that he has recused himself from participating in this transaction as a Board Member.

Mr. Reyes-Alvarez stated that the Finance Committee is being asked to recommend to the full Board the authorization of a TELP transaction for SUNY Upstate Medical University in an amount not to exceed \$35,400,000. He further stated that the proposed financing will support the acquisition of equipment for services including Nursing, Building Services, Information Technology, Pharmacy, and various other hospital services.

The Committee Members unanimously agreed to recommend full Board Approval of the SUNY Upstate Medical Center TELP transaction.

United Health Services Hospitals, Inc. - TELP - Resolution

Mr. Reyes-Alvarez stated that the Finance Committee is being asked to recommend to the full Board the authorization of a TELP transaction for United Health Services Hospitals in an amount not to exceed \$10,000,000. He further stated that the Hospital plans to finance equipment for Clinical Services, Support Services, Cardiovascular Services, Nursing, Physician Practice, and Information Technology.

The Committee Members unanimously agreed to recommend full Board Approval of the United Health Services Hospitals, Inc. TELP transaction.

The Finance Committee meeting was adjourned at approximately 9:59 a.m.

Respectfully submitted,

Sara P. Richards
Assistant Secretary