



DASNY

ANDREW M. CUOMO
Governor

ALFONSO L. CARNEY, JR.
Chair

GERRARD P. BUSHELL
President & CEO

Memorandum

TO: Robert S. Derico, R.A., Acting Director, Office of Environmental Affairs

FROM: Sara E. Stein, AICP, LEED-AP, Senior Environmental Manager
Office of Environmental Affairs 

DATE: January 30, 2019

RE: *State Environmental Quality Review (SEQR) Type II Determination for the InterAgency Council of Developmental Disabilities Agencies, Inc., (IAC) 2019 Refinancing and New Money Projects (Other Independent Institutions Program)*

The InterAgency Council of Developmental Disabilities Agencies, Inc., (“IAC”) has requested financing for certain not-for-profit members from the Dormitory Authority of the State of New York (“DASNY”) for its *2019 Refinancing and New Money Projects* (the “Proposed Projects”), pursuant to DASNY’s Other Independent Institutions Program. Accordingly, the Proposed Project is subject to environmental review pursuant to the *State Environmental Quality Review Act (“SEQRA”)*. Based on a review of the attached *Transaction Summary* dated January 2, 2019, and other relevant documentation, it has been determined that for purposes of *SEQRA*, the Proposed Action would consist of DASNY’s authorization of the issuance of an amount not to exceed \$31,000,000 in tax-exempt and/or taxable, fixed-rate and/or variable-rate, Series 2019 Bonds (the “Bonds”) on behalf of IAC members. The proceeds of the bond issuance would be used as a pool to finance or refinance outstanding indebtedness incurred by IAC members, and to finance or reimburse cash expenditures made by certain IAC members for property acquisition, construction and/or renovation work.

Founded in 1977, the IAC is a group of approximately 120 member agencies that operate approximately 900 programs for infants, children and adults with developmental disabilities throughout New York state. Each IAC member agency is a not-for-profit corporation, formed under the laws of the State of New York, to provide human services programs consisting of one or more of educational, vocational, intervention and residential human services for individuals with developmental disabilities or otherwise in need of mental health and rehabilitation services, educational services, substance abuse services, and residential services. Together, they serve about 90,000 people each day in residences, special schools, job training programs, clinical and health services, and support to families. The services provided by the IAC member agencies are largely funded by the New York State Office for People with Developmental Disabilities (“OPWDD”).

The following six IAC members participating in this bond issue are seeking to finance or refinance 47 individual projects, as described below.

Developmental Disabilities Institute, Inc. Developmental Disabilities Institute, Inc. (“DDI”) provides services to individuals with autism and other developmental disabilities. The approximate aggregate principal amount of the Bonds proposed to be issued to DDI would be \$6.3 million. DDI would use the Bonds to refinance certain existing indebtedness used to finance the acquisition, renovation, furnishing and/or equipping of the following properties located in Suffolk County:

- 8 Cynthia Court, East Setauket (Town of Brookhaven): a 2-story, approximately 2,464-gross-square-foot (“gsf”) building to serve as an individualized residential alternative (“IRA”) facility for 6 individuals,
- 12 Campbell Drive, Dix Hills (Town of Huntington): a 1-story, approximately 2,050-gsf building to serve as an IRA for 6 individuals,
- 7 Welbourn Lane, Coram (Town of Brookhaven): a 1-story, approximately 1,674-gsf building to serve as an IRA for 4 individuals,
- 73 Henealy Drive, Miller Place (Town of Brookhaven): a 2-story, approximately 2,688-gsf building to serve as an IRA for 6 individuals,
- 229 Stony Hollow Road, Greenlawn (Town of Huntington): a 1-story, approximately 2,215-gsf building to serve as an IRA for 6 individuals, and
- 75 Landing Meadow Road, Smithtown (Town of Smithtown): a 2-story, approximately 28,382-gsf building to serve as a voluntary operated day habilitation for 80 individuals.

Eden II School for Autistic Children, Inc. Eden II School for Autistic Children, Inc. (“Eden II”) is a corporation consisting of private schools, out-patient services and residential programs that provide services for the benefit of people with autism or developmentally disabled children or adults. The approximate aggregate principal amount of the Bonds proposed to be issued to Eden II is \$1.6 million. Eden II would use the Bonds for interior renovations, furnishings and equipment purchases and also to refinance certain existing indebtedness used to finance the acquisition of the following property:

- 205 Eltingville Boulevard, Borough of Staten Island (Richmond County): a 2-story, approximately 2,444-gsf building to serve as an IRA for 7 individuals.

Mercy Home for Children, Inc. Mercy Home for Children, Inc. (“Mercy Home”) provides essential services to individuals with developmental disabilities and their families. The approximate aggregate principal amount of the Bonds proposed to be issued to Mercy Home would be \$2.8 million. Mercy Home would use the Bonds to refinance certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- 1058 Herkimer Street, Borough of Brooklyn (Kings County): a 3-story, approximately 3,984-gsf building to serve as an IRA for 10 individuals, and
- 1370 Union Street, Borough of Brooklyn (Kings County): a 2-story, approximately 2,749-gsf building to serve as an IRA for 6 individuals.

Services for the Underserved, Inc., and SUS-Developmental Disabilities Services, Inc. Services for the Underserved, Inc., and SUS-Developmental Disabilities Services, Inc. (collectively “SUS”) provides services for the elderly, persons with mental illness, individuals with AIDS/HIV, those with developmental disabilities and the homeless. The approximate aggregate principal amount of the

Bonds proposed to be issued to SUS-DD would be \$3.0 million. SUS would use the Bonds to refinance certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- 5205 Henry Hudson Parkway, Borough of Bronx (Bronx County): a 2.5-story approximately 2,572-gsf building to serve as an IRA for 8 individuals,
- 185-24 80th Road, Jamaica Estates, Borough of Queens (Queens County): a 2-story, approximately 2,556-gsf building to serve as an IRA for 8 individuals; and
- 244-04 Northern Boulevard, Douglaston, Little Neck, Borough of Queens (Queens County): a 2-story approximately 3,786-gsf building to serve as an IRA for 8 individuals.

United Cerebral Palsy of New York City (dba ADAPT Community Network, Inc.). United Cerebral Palsy of New York City (“UCPNYC”), dba ADAPT Community Network, Inc. (“ADAPT”) is a leading pioneer and provider of programs and services that improve the quality of life for people with disabilities. The approximate aggregate principal amount of the Bonds proposed to be issued to ADAPT would be \$5.2 million. ADAPT would use the Bonds for interior renovations and also to refinance certain existing indebtedness used to finance the acquisition, renovation, furnishing and/or equipping of the following properties:

- 2075 Wallace Avenue, Apartments 244, 343 and 642, Borough of Bronx (Bronx County): Each approximately 700-gsf apartment to serve as an IRA for 1 individual;
- 2077 Wallace Avenue, Apartments 355, 655 and 657, Borough of Bronx (Bronx County): Each approximately 700-gsf apartment to serve as an IRA for 1 individual;
- 2077 Wallace Avenue, Apartments 454 and 754, Borough of Bronx (Bronx County): Each approximately 900-gsf apartment to serve as an IRA for 2 individuals;
- 2079 Wallace Avenue, Apartments 377 and 577, Borough of Bronx (Bronx County): Each approximately 700-gsf apartment to serve as an IRA for 1 individual;
- 2081 Wallace Avenue, Apartments 265, 364, 565, 669, 762 and 764, Borough of Bronx (Bronx County): Each approximately 700-gsf apartment to serve as an IRA for 1 individual;
- 2081 Wallace Avenue, Apartments 465, 664 and 768, Borough of Bronx (Bronx County): Each approximately 900-gsf apartment to serve as an IRA for 2 individuals;
- 2191 Bolton Street, Apartments 1D, 2C, 2J and 4D, Borough of Bronx (Bronx County): Each approximately 775-gsf apartment to serve as an IRA for 1 individual;
- 2191 Bolton Street, Apartment 6C, Borough of Bronx (Bronx County): Approximately 800-gsf apartment to serve as an IRA for 2 individuals;
- 2782 Johnson Avenue (Borough of Bronx): 3-story, approximately 2,242-gsf building to serve as an IRA for 10 individuals;
- 3277 Perry Avenue, Borough of Bronx (Bronx County): 2-story, approximately 2,536-gsf building to serve as an IRA for 8 individuals;
- 3327 Steuben Avenue, Borough of Bronx (Bronx County): 3-story, approximately 4,734-gsf building to serve as an IRA for 10 individuals;
- 3636 Greystone Avenue, Apartments 3J and 4E, Borough of Bronx (Bronx County): Each approximately 1,300-gsf apartment to serve as an IRA for 4 individuals;
- 424 Swinton Avenue, Borough of Bronx (Bronx County): 3-story, approximately 3,300-gsf building to serve as an IRA for 10 individuals; and

- 5606 Sylvan Avenue, Borough of Bronx (Bronx County): 2-story, approximately 1,453-gsf building to serve as an IRA for 6 individuals.

Young Adult Institute, Inc. (“YAI”). Young Adult Institute, Inc. (“YAI”) is a not-for-profit corporation dedicated to providing comprehensive services to individuals with developmental disabilities, including residential, day habilitation and employment training, and community-based family support. The approximate aggregate principal amount of the Bonds proposed to be issued for the YAI Project would be \$6.2 million. YAI would use the Bonds for the refinancing of certain existing indebtedness used to finance the acquisition, renovation, furnishing and/or equipping of the following properties:

- 83 Daly Road, East Northport, Town of Huntington (Suffolk County): a 1-story, approximately 2,752-gsf building to serve as an IRA for 6 individuals,
- 579 Old Country Road, Huntington Station, Town of Huntington (Suffolk County): a 1-story, approximately 2,525-gsf building to serve as an IRA for 6 individuals,
- 1366 North Windsor Avenue, Bay Shore, Town of Islip (Suffolk County): a 1.5-story, approximately 1,610-gsf building to serve as an IRA for 4 individuals,
- 16 Waterview Drive, Ossining, Town of Ossining (Suffolk County): a 2-story, approximately 3,458-gsf building to serve as an IRA for 6 individuals, and
- 2000 Flatbush Avenue, Borough of Brooklyn (Kings County): a 3-story, approximately 7,568-gsf building to serve as an IRA for 13 individuals.

DASNY completed this environmental review in accordance with *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 *State Environmental Quality Review (“SEQR”)* process.

The replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building, energy, or fire codes, is a Type II action as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(2) of *SEQR*. The refinancing of existing debt and the purchase or sale of furnishings, equipment or supplies are also Type II actions as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(29) and 6 *N.Y.C.R.R.* § 617.5(c)(31), 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.”¹ Therefore, no further *SEQR* determination or procedure is required for any component of the proposed project 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”). It is the opinion of DASNY that

¹ 6 *N.Y.C.R.R.* § 617.5(a).

the Proposed Project would have no impact on historic or cultural resources in or eligible for inclusion in the National and/or State Registers of Historic Places.

Attachments

cc: Donna A. Rosen, Esq.
Frederick W. Clark III, Esq.
Robert S. Derico, R.A.
Gerard E. Klauser
SEQR File
OPRHP

IAC CAPITAL FINANCE PROGRAM: POOL #26

Agency	Project Address	Project Type (res, day, school, etc)	Owned or Leased	SEQR Class	Comments
DDI, Inc.	8 Cynthia Court, East Setauket, NY 11733 (6 person IRA)	residence	owned	Type II	Refinancing existing debt
	12 Campbell Dr., Dix Hills, NY (6 person IRA)	residence	owned	Type II	Refinancing existing debt
	7 Welbourn Lane, Coram, NY 11727 (4 person IRA)	residence	owned	Type II	Refinancing existing debt
	73 Heneary Dr., Miller Place, NY 11764 (6 bed IRA)	residence	owned	Type II	Refinancing existing debt
	229 Stony Hollow Rd., Greenlawn, NY 11740 (6 person IRA)	residence	owned	Type II	Refinancing existing debt
	75 Landing Meadow Rd., Smithtown, NY 11787 (day hab for 80)	day hab	owned	Type II	Refinancing existing debt
Eden II School for Autistic Children, Inc.	205 Eltingville Blvd, Staten Island (8 bed IRA)	residence	owned	Type II	New Money (renovations) and Refinancing
Mercy Home for Children	1058 Herkimer St, Brooklyn 11249 (10 bed IRA)	residence	owned	Type II	Refinancing existing debt
	1370 Union St., Brooklyn, NY 11213 (6 bed leased site)	residence	leased	Type II	Refinancing existing debt
SUS	5205 Henry Hudson Pkwy, Bronx 10471 (8 person IRA)	residence	owned	Type II	Refinancing existing debt
	185-24 80th Rd. Queens, 11432	residence	leased	Type II	Refinancing existing debt
	244-02 Northern Blvd, Queens 11362	residence	leased	Type II	Refinancing existing debt
UCP NYC ADAPT	31 former FEGS projects	residences, co-op and real property	owned	Type II	New Money (renovations) and Refinancing
	2075, 2077, 2079 and 2081 Wallace Ave., Bronx, 10462 (19 co-op apartments)	co-op residences	owned	Type II	Refinancing existing debt
	2191 Bolton Ave, Bronx, 10462 (5 co-op apartments)	co-op residences	owned	Type II	Refinancing existing debt
	3636 Greystone Ave, Apt. 3J and 4E, Bronx	co-op residences	owned	Type II	Refinancing existing debt
	2782 Johnson Ave, Bronx	residence	owned	Type II	Refinancing existing debt
	3277 Perry St., Bronx	residence	owned	Type II	Refinancing existing debt
	3327 Steuben Ave, Bronx	residence	owned	Type II	Refinancing existing debt
	424 Swinton Ave, Bronx	residence	owned	Type II	Refinancing existing debt
	5606 Sylvan Ave., Bronx	residence	owned	Type II	Refinancing existing debt
	YAI	83 Daly Rd, East Northport, 11731 6 person IRA	residence	owned	Type II
579 Old Country Rd., (Suffolk County) 6 person IRA		residence	owned	Type II	Refinancing existing debt
1366 North Windsor Ave, Bay Shore, NY 11706 4 waiver ind.		residence	owned	Type II	Refinancing existing debt
16 Waterview Dr, Ossining, NY 10562		residence	owned	Type II	Refinancing existing debt
2000 Flatbush Ave, Brooklyn, 11234 1st & 2nd Fl: 8bed IRA, 3rd Fl 5 bed IRA		residence	leased	Type II	Refinancing existing debt

Transaction Summary

InterAgency Council of Developmental Disabilities Agencies, Inc.
("IAC")

January 2, 2019

Program: Other Independent Institutions

Purpose: Refinancing and New Money

New Issue Details

Approximately \$26,925,000 in tax-exempt and/or taxable, fixed, and/or variable rate, Series 2019A Bonds in one or more series, at one or more times, for a term not to exceed 26 years, are to be sold through a negotiated sale and/or a private placement.

Purpose

Refinancing of outstanding indebtedness and reimbursement for, or payment of, cash expenditures incurred. The pool is anticipated to include six participating members of InterAgency Council of Developmental Disabilities Agencies, Inc. ("IAC") including:

- DDI, Inc - NYS Office for People with Developmental Disabilities ("OPWDD") Prior Property Approval ("PPA") funded facility (\$6.3 million)
- Eden II School for Autistic Children, Inc. – OPWDD PPA funded facility (\$1.6 million);
- Mercy Home for Children, Inc. – OPWDD PPA funded facility (\$2.8 million);
- Services for the Underserved, Inc. - SUS-Developmental Disabilities Services, Inc., OPWDD PPA funded facility (\$3.0 million);
- United Cerebral Palsy of New York City, Inc.(dba-ADAPT) – OPWDD PPA funded facility (\$5.2 million);
- Young Adult Institute, Inc. – OPWDD PPA funded facilities (\$6.2 million).

Expected Security

- A pledge of all public funds attributable to each financed project.
- Standby intercept of all public funds attributable to each financed project.
- A debt service reserve fund.
- Mortgages on real property acceptable to DASNY, security interest in Co-op shares, where available. See Attachment I.

Expected Ratings: Aa2/NR/NR

Overview

In 1976, the lack of minimum standards of adequate care revealed at the Willowbrook State School in Staten Island resulted in a "consent decree" which called for New York State to engage in a planned process for downsizing its institutions and moving former residents into community-based homes. A small group of 30 non-profit agencies, mostly founded and operated by parents of children with developmental disabilities, banded together in an inter-agency council to work with government in designing, developing, and operating a new service system. IAC's first goal was to have an agreement with the State of New York to build and operate the community-based homes, but only if government funds to develop programs for those leaving the institutions were matched on an equal basis with funds to develop programs for those still living at home. IAC's present membership includes 120 agencies that operate 900 programs for infants, children, and adults.

Together, they serve about 90,000 people each day in residences, special schools, job training programs, clinical and health services, and support to families, providing services in primarily New York City and Rockland, Westchester, Nassau, and Suffolk counties.

In 2009, a bill was enacted which amended the DASNY statute and authorized DASNY to issue bonds on behalf of IAC members. The Series 2019 Bonds will be the fourteenth series of bonds issued under the IAC statute. Each IAC borrower will be obligated to repay only that portion of bond proceeds loaned to such borrower.

Additional Information

- Essentiality: The six borrowers in this pool are all 501(c)(3) organizations that provide services that are an essential function of state government. These services are State mandated and benefit New York State residents who have developmental disabilities.
- History and Experience of the Not-For-Profit Borrowers: The six borrowers in this pool have experience and a history of providing needed services to this population.



DASNY

Transaction Summary

InterAgency Council of Developmental Disabilities Agencies, Inc.
("IAC")

January 2, 2019

Program: Other Independent Institutions

Purpose: Refinancing and New Money

- OPWDD Prior Property Approvals (PPA): OPWDD has issued partial PPAs for the 48 projects (see Table 2). The PPA evidences OPWDD's commitment to pay funds directly to the provider sufficient to pay depreciation and interest payments associated with the financing undertaken to effectuate each PPA project, which commitment is subject to appropriation.
- Standby Intercept of Public Funds including OPWDD: The financing structure will provide for a standby intercept of OPWDD funds up to each borrower's allocable share of debt service.
- Replacement Operators: If a provider does not deliver adequate service or the provider is no longer able to operate the project in a fiscally viable manner, OPWDD may take administrative action to replace the operator and ensure that services continue to be provided. For PPA projects, the amounts payable under the PPA, subject to annual appropriations, will continue to flow to pay debt service as long as the project continues to be operated.
- Funding Subject to Government Appropriations: The projects and services are paid for through reimbursement arrangements with OPWDD. OPWDD receives much of their funding through governmental appropriations, which, if decreased, could have a negative impact on the revenues of the borrowers.

Recommendation

The attached staff report recommends that the Board adopt a Resolution to Proceed for one of more series of bonds with maturities not to exceed 26 years in an aggregate amount not to exceed \$31,000,000.

This Transaction Summary was prepared solely to assist DASNY in its review and approval of the proposed financing described therein and must not be relied upon by any person for any other purpose. DASNY does not warrant the accuracy of the statements contained in any offering document or any other materials relating to or provided by the Institution in connection with the sale or offering of the Bonds, nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the Institution, (2) the sufficiency of the security for the Bonds or (3) the value or investment quality of the Bonds.

The Bonds are special limited obligations of DASNY that are secured only by the amounts required to be paid by the Institution pursuant to the Loan Agreement, certain funds established under the Resolution and other property, if any, pledged by the Institution as security for the Bonds.

InterAgency Council

THE PROGRAM: IAC was founded in 1977 and is a not-for-profit membership corporation of voluntary providers of services to the developmentally disabled in the New York City metropolitan area. IAC is supported by 120 agencies that serve the needs of the residents of New York State who have developmental disabilities.

Prior to 1972, the majority of individuals in the State with developmental disabilities lived in state institutions referred to as "State Schools." In 1973, the parents of individuals living at the Willowbrook State School filed suit in federal court over the living conditions at the Willowbrook State School. Subsequently, the plaintiffs, and those similarly situated, were certified as a class (the "Willowbrook Class") for purposes of the suit. In 1975, as a result of the Willowbrook Class action suit, the State of New York entered into a consent decree (the "Willowbrook Consent Decree") committing itself to a program of improving community placement for the Willowbrook Class. In the Willowbrook Consent Decree, the State acknowledged the right of the Willowbrook Class to active treatment and resolved to reduce the number of individuals with developmental disabilities in State Schools to 250 by 1981. Shortly thereafter, Governor Hugh Carey extended similar benefits to all qualifying individuals with developmental disabilities. To achieve the goals of the Willowbrook Consent Decree, the State agreed to provide people with developmental disabilities with an opportunity for growth and development in the "least restrictive environment" and to provide them with a full and suitable education program. In an effort to formalize the State's compliance with the Willowbrook Consent Decree, a statute creating OMRDD (Office of Mental Retardation and Developmental Disabilities) was signed into law in 1977 and OMRDD began operating on April 1, 1978. OMRDD's name was subsequently changed to the Office for People with Developmental Disabilities ("OPWDD"). As a result of the efforts of the State and OPWDD, the vast majority of individuals with developmental disabilities receive housing in community residences, or at home with the assistance of family support services, rather than at State Schools. In addition, they attend suitable day schools or day habilitation programs in the community. These services are provided primarily by the numerous not-for-profit corporations approved, and largely funded, by OPWDD.

Historically, IAC members financed their capital needs through the New York State Medical Care Facilities Finance Agency ("MCFFA") voluntary agency program. More recently, IAC members financed their capital needs through numerous IDAs throughout the state, most notably the New York City IDA. IAC represents approximately 120 corporations or three-fourths of the voluntary providers in the metropolitan area. IAC members provide service in the areas of clinical and diagnostic service; early intervention, preschool and school-age education; residential service; vocational

rehabilitation; adult day services and transportation and family support services. The main purpose of IAC is to plan, coordinate and integrate the voluntary-operated services to this population in the metropolitan area, and promote both private and public policies and programs in furtherance of the welfare of this population.

DASNY Financing History: This will be the thirteenth issuance of bonds issued through DASNY for members of IAC through this program. Set forth below are tables detailing bonds issued using the IAC pool structure as well as bonds previously issued on behalf of the individual borrowers included in this pooled IAC financing.

Table 1A
InterAgency Council Financings
Outstanding Debt Table as of 12/31/2018

Institution	Series	Amount Issued	Amount Outstanding
IAC Pooled Loan Program	2010A-1	\$ 29,015,000	\$ 11,735,000
	2010A-2 (taxable)	655,000	-
	2010B	6,980,000	-
IAC Pooled Loan Program	2011A-1	3,715,000	1,995,000
	2011A-2 (taxable)	180,000	-
IAC Pooled Loan Program	2011B-1	8,870,000	-
	2011B-2 (taxable)	325,000	-
IAC Pooled Loan Program	2012A-1	12,285,000	5,050,000
	2012A-2 (taxable)	460,000	-
IAC Pooled Loan Program	2013A-1	14,255,000	9,480,000
	2013A-2 (taxable)	685,000	-
IAC Pooled Loan Program	2013B-1	3,860,000	2,595,000
	2013B-2 (taxable)	175,000	-
IAC Pooled Loan Program	2014A-1	12,385,000	9,895,000
	2014A-2 (taxable)	585,000	-
IAC Pooled Loan Program	2015A-1	28,115,000	17,455,000
	2015A-2 (taxable)	1,175,000	-
IAC Pooled Loan Program	2016A-1	15,665,000	14,630,000
	2016A-2 (taxable)	770,000	-
IAC Pooled Loan Program	2016B-1	28,645,000	28,000,000
	2016B-2 (taxable)	780,000	285,000
IAC Pooled Loan Program	2017A-1	16,190,000	16,990,000
	2017A-2 (taxable)	955,000	680,000
IAC Pooled Loan Program	2018A-1	11,705,000	11,705,000
	2018A-2 (taxable)	2,545,000	2,545,000
Total		\$ 200,975,000	\$ 132,020,000

Table 1B
InterAgency Council Borrower Financings
Outstanding Debt Table as of 12/31/2018

Institution	Series	Amount Issued	Amount Outstanding
Developmental Disabilities Institute Inc.	IAC 2016B Pool	\$ 2,355,000	\$ 2,275,000
EDEN II Programs	IAC 2015A Pool	4,000,000	2,195,000
	IAC 2016B-1 Pool	1,535,000	1,475,000
Services for the Underserved, Inc./ SUS-Developmental Disabilities Services, Inc.	NYSRA 2003A& B Pool	9,545,000	1,855,000
	IAC 2010A Pool	3,815,000	1,385,000
	IAC 2012A Pool	1,750,000	1,030,000
	IAC 2015A Pool	6,270,000	4,155,000
United Cerebral Palsy Services of New York City, Inc. - ADAPT	IAC 2010A Pool	1,540,000	555,000
	IAC 2012A Pool	4,060,000	1,030,000
	IAC 2017A Pool	6,520,000	6,350,000
Young Adults Incorporated	IAC 2010A Pool	13,595,000	6,245,000
	IAC 2015A Pool	7,470,000	3,415,000
	IAC 2016A Pool	9,295,000	8,235,000
	IAC 2018A Pool	2,250,000	2,250,000
Total		\$ 77,630,000	\$ 45,950,000

THE BORROWERS AND THE PROJECTS: The borrowers in this IAC transaction provide services that are an essential function of State government serving New York State residents who have developmental disabilities.

It is expected that six IAC members will borrow proceeds of the Series 2019 Bonds. The proceeds of the Series 2019 Bonds will be used to refinance taxable loans incurred by these borrowers to acquire and/or renovate their facilities and to reimburse certain borrowers for cash expended on capital projects.

All of these members are not-for-profit organizations, exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

Historically, the borrowers have drawn funds from their working capital lines of credit to acquire and/or renovate new facilities. When renovations are completed, the borrowers refinance their short-term debt with long-term tax-exempt bonds. Each of the projects originally entailed the acquisition and/or renovations of facilities. Table 2 below shows the project costs and the funding sources for the projects to be financed.

**Table 2
InterAgency Council Pool
Funding Source**

Borrower	Year Founded	Project Costs	PPA OPWDD	Other	Total
Developmental Disabilities, Inc.	1961	\$ 6,262,767	\$ 6,260,867	\$ 1,900	\$ 6,262,767
Eden II School for Autistic Children, Inc.	1976	1,600,000	1,600,000	-	1,600,000
Mercy Home for Children, Inc.	1883	2,809,382	2,708,399	100,983	2,809,382
Services for the Underserved, Inc	1978	3,015,432	3,003,522	11,910	3,015,432
UCP of NYC-ADAPT	1946	5,169,262	4,688,909	480,353	5,169,262
Young Adult Institute, Inc.	1991	6,228,967	6,219,814	9,153	6,228,967
TOTAL		\$25,085,810	\$24,481,511	\$604,299	\$25,085,810

Other – represents funding from Other Public Funds including OPWDD non-PPA funding.

FINANCING DETAILS: Attachment II provides the detail for the proposed \$26.9 million in Series 2019 Bonds. Issuance expenses, including the DASNY fee, the various counsels’ fees and the underwriter’s discount are estimated at approximately \$1.6 million. A debt service reserve fund will also be funded with bond proceeds.

Public Purpose/Essentiality: The State has a long history of providing care for developmentally disabled persons. The method of caring for this population, however, changed in the 1960’s from institutional settings to more home-like settings. In addition, as a result of the Willowbrook Consent Decree, the State committed itself to a program of improving community placement for this population. The State has addressed its responsibility with respect to these individuals by increasing community placement and closing state-operated facilities. These community based service providers deliver an essential function of State Government and, combined, are so numerous that the State system of serving developmentally disabled individuals cannot exist without them.

The not-for-profit borrowers included in these financings provide community based services that are an essential function of State Government and have long and established track records of providing services to this population.

Expected Security Provisions: Each borrower’s obligation under its Loan Agreement will be secured by a pledge of public funds attributable to the financed projects. Security provisions will also include standby intercepts of these funds, certain mortgages on real property and a debt service reserve fund.

Sources of State Assistance: PPA related OPWDD funding provide a portion of the revenues through contracts and reimbursement arrangements for the provision of their services. Contracts between the borrowers and OPWDD are subject to annual appropriation.

OPWDD Prior Property Approval Process (“PPA”): All OPWDD projects are supported through PPA related contract and reimbursement arrangements with OPWDD. Prior to initiating the development of a PPA project to serve developmentally disabled individuals, a non-profit provider is required to obtain a Prior Property Approval 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 such, each PPA represents approximately 1:1 coverage on the Series 2019 Bonds attributable to each of the OPWDD PPA projects. In addition, as discussed further below, there is a standby intercept of OPWDD funds.

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 the type of individuals to be served and the program to be provided.

As mentioned above, each Borrower is under contract with OPWDD to provide one or more services to persons with developmental disabilities. All 48 projects to be financed are supported by PPAs. These 48 PPA projects have a total of approximately \$25.1 million in approved project costs.

The liability for the payment of the allocable portion of principal and interest on the bonds is the sole responsibility of each of the borrowers and is not an obligation of the State of New York. Each borrower will have its own individual loan agreement and the loans are not cross-collateralized.

OPWDD State Appropriations: The State of New York has had a long commitment of ensuring that people with developmental disabilities experience health and growth while living in homes to fully participate in communities of their choice. Historically, the appropriations for OPWDD have totaled approximately \$4.5 billion. Even in years where appropriations have decreased, OPWDD has had a history of paying funds directly to the providers sufficient to pay depreciation and interest associated with the financing of the PPA approved facilities.

Standby Intercept of Public Funds including OPWDD Funds: The Series 2019 Bonds will have a standby intercept of funds for all OPWDD PPA funded projects. Pursuant to law, DASNY has the right to intercept all funds payable by any Federal, State or local agency or social services district otherwise payable to the participating IAC borrowers to meet their debt service obligations. Such Public Funds, including the OPWDD revenues, associated with the borrowers' projects will be pledged by the borrowers to secure their respective payment obligations in connection with the Series 2019 Bonds.

OPWDD Commissioner's Ability to Replace an Operator: If a provider does not deliver adequate service or the provider is no longer able to operate the project in a fiscally viable manner, OPWDD may take administrative action to replace the operator and ensure that services

continue to be provided. For PPA projects, the amounts payable under the PPA, subject to annual appropriations, will continue to flow to pay debt service as long as the project continues to be operated. OPWDD has a responsibility to ensure that the persons served by these not-for-profits are provided with quality care. These providers are regulated and licensed. As such, OPWDD is monitoring the care and services provided by its not-for-profit partners.

SUMMARY: The State's programs and policies demonstrate the essentiality of community-based services to the developmentally disabled population in the State of New York and the six borrowers in this pool have had experience in providing needed services to this population. Accordingly, staff recommends the adoption of a Resolution to Proceed with a financing in an amount not to exceed \$31,000,000.

THE BORROWERS AND THE EXPECTED ADDRESSES OF THE PROJECTS

Developmental Disabilities Institute, Inc., Smithtown, New York (\$6.3 million)

Developmental Disabilities Institute, Inc. provides services to individuals with autism and other developmental disabilities. They are proposing to refinance the Individualized Residential Alternative ("IRA") facility, at the following addresses:

- 8 Cynthia Court, East Setauket, NY
- 12 Campbell Dr., Dix Hill, NY
- 7 Wellbourn Land, Coram, NY
- 73 Heneary Dr., Miller Place, NY
- 229 Stony Hollow Rd, Greenlawn, NY
- 75 Landing Meadow Rd., Smithtown, NY

The governmental funding source for this facility is OPWDD (PPA funding).

Eden II School for Autistic Children, Inc., Staten Island, New York (\$1.6 million)

Eden II School for Autistic Children, Inc., supports people with autism through service, science and passion so they may achieve their full potential throughout their lives. They are proposing to refinance the Individualized Residential Alternative ("IRA") facility, at the following address:

- 205 Eltingville Blvd., Staten Island, NY

The governmental funding source for this facility is OPWDD (PPA funding).

Mercy Home for Children, Inc., Brooklyn, New York (\$2.8 million)

The Mercy Home for Children, Inc. provides essential services to individuals with developmental disabilities and their families. They are proposing to refinance the facilities at the following addresses:

- 1058 Herkimer St., Brooklyn, NY
- 1370 Union St., Brooklyn, NY

The governmental funding source for these facilities is OPWDD (PPA funding).

Services for the Underserved, Inc., SUS - Developmental Disabilities Services, Inc., New York, New York (\$3.0 million)

Services for the Underserved, Inc. provides services for the elderly, persons with mental illness, individuals with AIDS/HIV, those with developmental disabilities and the

homeless. They are proposing to refinance the residences at the following addresses:

- 5205 Henry Hudson Pkwy., Bronx, NY
- 185-24 80th Rd., Queens, NY
- 244-04 Northern Blvd., New York, NY

The governmental funding source for this facility is OPWDD (PPA funding).

United Cerebral Palsy of New York City Inc., -ADAPT Brooklyn, New York (\$5.2 million)

UCPNYC Inc. is a leading pioneer and provider of programs and services that improve the quality of life for people with disabilities. They are proposing to refinance the following facilities at the following addresses:

- 2075 Wallace Avenue, Apt 244, Bronx
- 2075 Wallace Avenue, Apt 343, Bronx
- 2075 Wallace Avenue, Apt 642, Bronx
- 2077 Wallace Avenue, Apt 355, Bronx
- 2077 Wallace Avenue, Apt 454, Bronx
- 2077 Wallace Avenue, Apt 655, Bronx
- 2077 Wallace Avenue, Apt 657, Bronx
- 2077 Wallace Avenue, Apt 754, Bronx
- 2079 Wallace Avenue, Apt 377, Bronx
- 2079 Wallace Avenue, Apt 577, Bronx
- 2081 Wallace Avenue, Apt 265, Bronx
- 2081 Wallace Avenue, Apt 364, Bronx
- 2081 Wallace Avenue, Apt 465, Bronx
- 2081 Wallace Avenue, Apt 565, Bronx
- 2081 Wallace Avenue, Apt 664, Bronx
- 2081 Wallace Avenue, Apt 669, Bronx
- 2081 Wallace Avenue, Apt 762, Bronx
- 2081 Wallace Avenue, Apt 764, Bronx
- 2081 Wallace Avenue, Apt 768, Bronx
- 2191 Bolton St, Apt. 1D, Bronx
- 2191 Bolton St, Apt. 2C, Bronx
- 2191 Bolton St, Apt. 2J, Bronx
- 2191 Bolton St, Apt. 4D, Bronx
- 2191 Bolton St, Apt. 6C, Bronx
- 2782 Johnson Ave., Bronx
- 3277 Perry St., Bronx
- 3327 Steuben Ave., Bronx
- 3636 Greystone Ave., Apt. 3J, Bronx
- 3636 Greystone Ave., Apt. 4E, Bronx
- 424 Swinton Ave, Bronx
- 5606 Sylvan Ave., Bronx

The governmental funding source for these facilities is OPWDD (PPA funding).



Young Adult Institute, Inc., New York, New York (\$6.2 million)

Young Adult Institute, Inc. provides a wide range of services to individuals with developmental disabilities and their families. They are proposing to refinance the residential facilities, at the following addresses:

- 83 Daly Rd., East Northport, NY
- 579 Old Country Rd., Suffolk County, NY
- 1366 North Windsor Ave., Bay Shore, NY
- 16 Waterview Dr., Ossining, NY
- 2000 Flatbush Ave, Brooklyn, NY

The governmental funding source for these facilities is OPWDD (PPA funding).



InterAgency Council Pooled Loan Program

BORROWER	EXPECTED PROPERTY ADDRESS	EXPECTED MORTGAGE OR LEASE
Developmental Disabilities Institute, Inc.	8 Cynthia Court, East Setauket, NY	Mortgage
	12 Campbell Dr., Dix Hill, NY	Mortgage
	7 Wellbourn Land, Coram, NY	Mortgage
	73 Heneary Dr., Miller Place, NY	Mortgage
	229 Stony Hollow Rd, Greenlawn, NY	Mortgage
Eden II School for Autistic Children, Inc.	205 Eltingville Blvd., Staten Island, NY	Mortgage
Mercy Home for Children, Inc.	1058 Herkimer Street, Brooklyn, NY	Mortgage
	1370 Union St., Brooklyn, NY	Leased
Servises for the Underserved, Inc., SUS-Developmental Disabilities Services, Inc.	5205 Henry Hudson Pkwy., Bronx, NY	Mortgage
	185-24 80th Rd., Queens, NY	Leased
	244-04 Northern Blvd., New York, NY	Leased
United Cerebral Palsy of New York City, Inc. dba - ADAPT	2075 Wallace Ave., Apt. 244, Bronx	Co-op
	2075 Wallace Ave., Apt. 343, Bronx	Co-op
	2075 Wallace Ave., Apt. 642	Co-op
	2077 Wallace Ave., Apt. 355	Co-op
	2075 Wallace Ave., Apt. 454	Co-op
	2075 Wallace Ave., Apt. 655	Co-op
	2075 Wallace Ave., Apt. 657	Co-op
	2077 Wallace Ave., Apt. 754	Co-op
	2079 Wallace Ave., Apt. 377	Co-op
	2079 Wallace Ave., Apt. 577	Co-op
	2081 Wallace Ave., Apt. 265	Co-op
	2081 Wallace Ave., Apt. 364	Co-op
	2081 Wallace Ave., Apt. 465	Co-op
	2081 Wallace Ave., Apt. 565	Co-op
	2081 Wallace Ave., Apt. 664	Co-op
	2081 Wallace Ave., Apt. 669	Co-op
	2081 Wallace Ave., Apt. 762	Co-op
	2081 Wallace Ave., Apt. 764	Co-op
	2081 Wallace Ave., Apt. 768	Co-op
	2191 Bolton St., Apt. 1D, Bronx	Co-op
	2191 Bolton St., Apt. 2C, Bronx	Co-op
	2191 Bolton St., Apt. 2J, Bronx	Co-op
	2191 Bolton St., Apt. 4D, Bronx	Co-op
2191 Bolton St., Apt. 6C, Bronx	Co-op	
2782 Johnson Ave, Bronx	Mortgage	
3277 Perry St., Bronx	Mortgage	
3327 Steuben Ave, Bronx	Mortgage	
3636 Greystone Ave, Apt. 3J, Bronx	Co-op	
3636 Greystone Ave, Apt. 4E, Bronx	Co-op	
424 Swinton Ave, Bronx	Mortgage	
5606 Sylvan Ave., Bronx	Mortgage	
Young Adult Institute, Inc.	83 Daly Rd., East Northport, NY	Mortgage
	579 Old Country Rd., Suffolk County, NY	Mortgage
	1366 North Windsor Ave., Bay Shore, NY	Mortgage
	16 Waterview Dr., Ossining, NY	Mortgage
	2000 Flatbush Ave., Brooklyn, NY	Mortgage



**InterAgency Council
Sources and Uses of Funds**

<i>Sources of Funds:</i>	<i>Tax-Exempt</i>	<i>Taxable</i>	<i>Total</i>
Bond Proceeds	\$ 26,070,000	\$ 855,000	\$ 26,925,000
Original Issue Premium	672,734		672,734
<i>Total Sources</i>	\$ 26,742,734	\$ 855,000	\$ 27,597,734

<i>Uses of Funds:</i>		<i>% of Par</i>
Deposit to Project Fund	\$ 25,085,810	
Deposit to Debt Service Reserve Fund	908,881	
Capitalized Interest	-	
Costs of Issuance	948,266	3.52%
Dormitory Authority Fee	240,000	0.89%
Bond Counsel	164,854	0.61%
Printing	8,573	0.03%
Ratings	25,000	0.09%
Trustee	11,000	0.04%
Institution's Counsel	216,000	0.80%
InterAgency Council Admin Fee	74,863	0.28%
Title & Survey	117,300	0.44%
TEFRA Notice	22,053	0.08%
DAC Fee	60,000	0.22%
Miscellaneous	2,182	0.01%
Rounding	6,441	0.02%
Underwriter Discount	654,777	2.43%
<i>Total Uses</i>	\$ 27,597,734	

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 INTERAGENCY
COUNCIL OF DEVELOPMENTAL DISABILITIES
AGENCIES, 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 InterAgency Council of Developmental Disabilities Agencies, 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 InterAgency Council of Developmental Disabilities Agencies, Inc.

This Resolution shall take effect immediately.