



DASNY

ANDREW M. CUOMO
Governor

ALFONSO L. CARNEY, JR.
Chair

GERRARD P. BUSHELL
President & CEO

Memorandum

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

FROM: Sara Stein, Environmental Manager
Office of Environmental Affairs

DATE: July 14, 2017

RE: *State Environmental Quality Review (SEQR) Type II Determination for the InterAgency Council of Developmental Disabilities Agencies, Inc., (IAC) 2017 Refinancing and New Money Projects (Other Independent Institutions Program)*

The InterAgency Council of Developmental Disabilities Agencies, Inc., (“IAC”) has requested financing for certain of its not-for-profit members from DASNY (“Dormitory Authority State of New York”) pursuant to DASNY’s Other Independent Institutions Program for its *2017 Refinancing and New Money Projects* (the “Proposed Projects”). 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 *Credit Summary Update*, dated July 10, 2017 (attached), 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 \$19,000,000 in tax-exempt and/or taxable, fixed- and/or variable-rate, Series 2017 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, as described further below.

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. 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 the bond issue are seeking to finance nine individual projects. Further details are attached.

General Human Outreach in the Community, Inc. (GHO). General Human Outreach in the Community, Inc. (“GHO”) provides a wide range of services to individuals with developmental disabilities. The approximate aggregate principal amount of the Bonds proposed to be issued to GHO

would be \$1,460,000. GHO would use the Bonds to finance or refinance certain existing indebtedness used to finance the acquisition, renovation, furnishing and/or equipping of the following property:

- 159-09 137th Avenue, 1st and 2nd Floors, Jamaica, Borough of Queens (Queens County): a 2-story, approximately 2,816-gross-square-foot (“gsf”) building to serve as an individualized residential alternative (“IRA”) for 8 individuals.

HASC Center, Inc. HASC Center, Inc., (“HASC”) is a not-for-profit agency dedicated to providing people with special needs the necessary empowerment tools to live as independently as possible. HASC provides residential services, day programs, case management and in-home residential habilitation services to individuals with intellectual and developmental disabilities and their families. The approximate aggregate principal amount of the Bonds proposed to be issued to HASC would be \$2,240,000. HASC would use the Bonds to finance or refinance certain existing indebtedness used to finance the acquisition, renovation, furnishing and/or equipping of the following property:

- 1427 East 65th Street, 1st and 2nd Floors, Borough of Brooklyn (Kings County): a 2-story, approximately 2,600-gsf building to serve as an IRA for 8 individuals.

Human Care Services. Human Care Services provides a wide range of services to individuals with developmental disabilities and their families. The approximate aggregate principal amount of the Bonds proposed to be issued to Lifespire would be \$3,260,000. Human Care Services would use the Bonds to finance or refinance certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- 592 East 7th Street, Borough of Brooklyn (Kings County): a 3-story, approximately 2,640-gsf building (plus basement) to serve as an IRA for 11 individuals.

Life’s W.O.R.C., Inc. Life’s W.O.R.C. is a private organization that supports individuals with developmental disabilities and autism. The approximate aggregate principal amount of the Bonds proposed to be issued to Lifespire would be \$4,470,000. Life’s W.O.R.C. would use the Bonds to finance or refinance certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- 247-04 and 247-06 136th Avenue, Rosedale, Borough of Queens (Queens County): a 1-story, approximately 3,134-gsf building to serve as an IRA for 7 individuals;
- 1 West 129th Street (also known as 2100 Fifth Avenue), Borough of Manhattan (New York County): a leased, 3-story, approximately 14,220-gsf building to serve as an IRA for 24 individuals (site leased from New York State and the City of New York); and
- 9 Jefferson Street, East Islip, Town of Islip (Suffolk County): a 1-story, approximately 2,236-gsf building to serve as an IRA for 6 individuals.

New Horizons Resources, Inc. New Horizons Resources, Inc., (“New Horizons”) provides a wide range of services to individuals with developmental disabilities. The approximate aggregate principal amount of the Bonds proposed to be issued to Lifespire would be \$470,000. New Horizons

would use the Bonds to finance or refinance certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following property:

- 24 Gerry Road, Town of Poughkeepsie (Dutchess County): a 1-story, approximately 1,566-gsf building that serves as an IRA facility for 4 individuals.

United Cerebral Palsy (UCP) of NYC (dba ADAPT Community Network, Inc.). United Cerebral Palsy (UCP) of NYC, 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 \$7,000,000. Adapt would use the Bonds to finance or refinance certain existing indebtedness used to finance the acquisition, renovation, furnishing and/or equipping of the following properties:

- 845 Seton Place, Borough of Brooklyn (Kings County): a 2-story, approximately 3,835-gsf building to serve as an IRA for approximately 8 individuals; and
- 630 Flushing Ave, 1st Floor, Borough of Brooklyn (Kings County): approximately 26,557-gsf of leased space on the first floor of an 8-story approximately 574,000-gsf building to serve as a Day Habilitation Center for approximately 94 individuals.

DASNY completed this environmental review in accordance with the *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 rehabilitation of a structure or facility, in kind, on the same site, including upgrading buildings to meet building 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 construction or expansion of a single-family, a two-family or a three-family residence on an approved lot including provision of necessary utility connections is a Type II action as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(9). Conducting concurrent environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary to the formulation of a proposal for action is a Type II action as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(21). The refinancing of existing debt is a Type II action as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(23), and the purchase or sale of furnishings, equipment or supplies is also a Type II action as specifically designated by 6 *N.Y.C.R.R.* § 617.5(c)(25). 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.
Matthew T. Bergin
Gerard E. Klauser
SEQR File
OPRHP File

Credit Summary Update

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

July 10, 2017

Program: Other Independent Institutions

Purpose: Refinancing and New Money

New Issue Details

Approximately \$17,375,000 in tax-exempt and/or taxable, fixed and/or variable rate, Series 2017 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 members of InterAgency Council of Developmental Disabilities Agencies, Inc. ("IAC") including:

- General Human Outreach in the Community Incorporated - NYS Office for People with Developmental Disabilities ("OPWDD") Prior Property Approval ("PPA") funded facility (\$1.19 million);
- HASC Center, Inc. – NYS Office for People with Developmental Disabilities ("OPWDD") Prior Property Approval ("PPA") funded facility (\$1.8 million);
- Human Care Services for Families & Children, Inc. – NYS Office for People with Developmental Disabilities ("OPWDD") Prior Property Approval ("PPA") funded facility (\$2.7 million);
- Life's W.O.R.C., Inc. - NYS Office for People with Developmental Disabilities ("OPWDD") Prior Property Approval ("PPA") funded facilities (\$3.6 million);
- New Horizons Resources, Inc. - NYS Office for People with Developmental Disabilities ("OPWDD") Prior Property Approval ("PPA") funded facility (\$371,289);
- United Cerebral Palsy of New York City, Inc.– OPWDD PPA funded facility (\$2.6 million) and a facility which is partially OPWDD PPA funded and New York State Medicaid funded (\$3.3 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, where available. See Attachment I for specific details.

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 2017 Bonds will be the eleventh 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.

Credit Summary Update

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

July 10, 2017

Program: Other Independent Institutions

Purpose: Refinancing and New Money

Description of the Series 2017 Bonds

- The Bonds are special obligations of DASNY.
- The Bonds are payable from payments made under the Loan Agreements and all funds and accounts established under the Series Resolution. Each Loan Agreement is a general obligation of the applicable Borrower.

Approvals

- Resolution to Proceed – April 12, 2017
- PACB Approval – April 19, 2017
- TEFRA Hearing – May 30, 2017
- SEQR Filing – July 12, 2017*

*Anticipated date

Recent Information

One of the participants, Services for the Underserved, Inc., has dropped out of the financing. Services for the Underserved, Inc. had expected to finance three projects – two PPA projects totaling \$2.2 million and one \$4.7 million non-PPA project. As a result of this change, the financing now includes six participants with nine projects instead of the seven participants with twelve projects. Staff recommends the Adoption of Documents for the Series 2017 bonds in an amount not to exceed \$19,000,000.00

**NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECTS AND ISSUANCE OF REVENUE BONDS
UNDER THE INTERAGENCY COUNCIL POOLED LOAN PROGRAM BY THE
DORMITORY AUTHORITY OF THE STATE OF NEW YORK FOR GENERAL
HUMAN OUTREACH IN THE COMMUNITY INCORPORATED, HASC CENTER,
INC., HUMAN CARE SERVICES FOR FAMILIES & CHILDREN, INC.,
LIFE’S W.O.R.C., INC., NEW HORIZONS RESOURCES, INC., SERVICES
FOR THE UNDERSERVED, INC., SUS – DEVELOPMENTAL DISABILITIES
SERVICES, INC., SUS – MENTAL HEALTH PROGRAMS, INC.
AND UNITED CEREBRAL PALSY OF NEW YORK CITY, INC.**

Public notice is hereby given that, at the time and place designated below, the Dormitory Authority of the State of New York (“*DASNY*”) will conduct a public hearing for the purpose of giving interested persons an opportunity to be heard on the projects described below and the proposed issuance by *DASNY* of its InterAgency Council Pooled Loan Program Revenue Bonds (the “*Bonds*”) in an aggregate principal amount not to exceed \$27,260,000 in one or more series or issues (from time to time) as part of a plan of financing pursuant to Section 147(f)(2)(C) of the Internal Revenue Code. The public is invited to comment either in person or in writing with respect to the projects and the issuance of the Bonds.

The proceeds of the Bonds are expected to be used to make separate loans to General Human Outreach in the Community Incorporated (“*GHO*”), HASC Center, Inc. (“*HASC Center*”), Human Care Services for Families & Children, Inc. (“*Human Care Services*”), Life’s W.O.R.C., Inc. (“*Life’s W.O.R.C.*”), New Horizons Resources, Inc. (“*New Horizons*”), Services for the UnderServed, Inc. (“*SUS, Inc.*”), SUS – Developmental Disabilities Services, Inc. (“*SUS-DDS*”), SUS – Mental Health Programs, Inc. (“*SUS-MHP*”, and together with *SUS, Inc.* and *SUS-DDS*, “*SUS*”), and United Cerebral Palsy of New York City, Inc. (“*UCP-NYC*”; and together with *GHO*, *HASC Center*, *Human Care Services*, *Life’s W.O.R.C.*, *New Horizons* and *SUS*, each, a “*Participant*”) and used to finance and/or refinance certain existing taxable and tax-exempt indebtedness used to finance all or a portion of the cost of acquiring, constructing, renovating, repairing, equipping, purchasing or otherwise providing for the projects described below, including the acquisition of land, as applicable, and related site improvements, together with other related costs, including costs incurred in connection with the issuance of the Bonds, funding required reserve funds and, if applicable, fees for credit enhancement (each, a “*Project*” and, collectively, the “*Projects*”). Each Participant is a not-for-profit corporation, formed under the laws of the State of New York (the “*State*”), to provide human services programs in the State 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.

GHO

The approximate aggregate principal amount of the Bonds proposed to be issued for the GHO Project is \$1,460,000. The actual principal amount of Bonds issued for the GHO Project may differ from such amount. The GHO Project includes the financing and/or refinancing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of

the first and second floors of a 2-story approximately 2,816 s.f. building located at 156-09 137th Avenue, Jamaica, NY 11434 (Borough of Queens) to serve as an IRA for 8 individuals. GHO is the owner and/or operator of the GHO Project.

HASC Center

The approximate aggregate principal amount of the Bonds proposed to be issued for the HASC Center Project is \$2,240,000. The actual principal amount of Bonds issued for the HASC Center Project may differ from such amount. The HASC Center Project includes the financing and/or refinancing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the first and second floors of a 2-story approximately 2,600 s.f. building located at 1427 East 65th Street, Brooklyn, NY 11234 (Borough of Brooklyn) to serve as an IRA for 8 individuals. HASC Center is the owner and/or operator of the HASC Center Project.

Human Care Services

The approximate aggregate principal amount of the Bonds proposed to be issued for the Human Care Services Project is \$3,260,000. The actual principal amount of Bonds issued for the Human Care Services Project may differ from such amount. The Human Care Services Project includes the financing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of a 3-story approximately 2,640 s.f. building located at 592 East 7th Street, Brooklyn, NY 11218 (Borough of Brooklyn) to serve as an IRA for 11 individuals. Human Care Services is the owner and/or operator of the Human Care Services Project.

Life's W.O.R.C.

The approximate aggregate principal amount of the Bonds proposed to be issued for the Life's W.O.R.C. Project is \$4,470,000. The actual principal amount of Bonds issued for the Life's W.O.R.C. Project may differ from such amount. The Life's W.O.R.C. Project includes the financing and/or refinancing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- (i) (\$2,210,000) a 1-story approximately 3,134 s.f. building located at 247-04 and 247-06 136th Avenue, Rosedale, NY 11422 (Borough of Queens) to serve as an IRA for 7 individuals,
- (ii) (\$950,000) a leased 3-story approximately 14,220 s.f. building located at One West 129th Street, New York, NY 10027, a/k/a 2100 Fifth Avenue, New York, New York 10035 (Borough of Manhattan) to serve as an IRA for 24 individuals, and
- (iii) (\$1,310,000) a 1-story approximately 2,236 s.f. building located at 9 Jefferson Street, East Islip, NY 11730 (Town of Islip) to serve as an IRA for 6 individuals.

Life's W.O.R.C. is or will be the owner, except where indicated as leased, and/or operator of the Life's W.O.R.C. Project.

New Horizons

The approximate aggregate principal amount of the Bonds proposed to be issued for the New Horizons Project is \$470,000. The actual principal amount of Bonds issued for the New Horizons Project may differ from such amount. The New Horizons Project includes the financing and/or refinancing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of a 1-story approximately 1,566 s.f. building located at 24 Gerry Road, Poughkeepsie, NY 12603 (Town of Poughkeepsie) to serve as an IRA for 4 individuals. New Horizons is the owner and/or operator of the New Horizons Project.

SUS

The approximate aggregate principal amount of the Bonds proposed to be issued for the SUS Project is \$8,360,000. The actual principal amount of Bonds issued for the SUS Project may differ from such amount. The SUS Project includes the financing and/or refinancing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- (i) (\$5,700,000) the 17th floor and part of the 18th floor of a leased 22-story approximately 408,511 s.f. building located at 463 Seventh Avenue, New York, NY 10018 (Borough of Manhattan) to serve as administrative offices of SUS,
- (ii) (\$1,320,000) the first and second floors of a 2-story approximately 2,000 s.f. building located at 141-06 123rd Avenue, Jamaica, NY 11436 (Borough of Queens) to serve as an IRA for 6 individuals, and
- (iii) (\$1,340,000) the basement, first and second floors of a 2-story approximately 2,500 s.f. building located at 276 Graff Avenue, Bronx, NY 10465 (Borough of Bronx) to serve as an IRA for 6 individuals.

SUS is the owner, except where indicated as leased, and/or operator of the SUS Project.

UCP-NYC

The approximate aggregate principal amount of the Bonds proposed to be issued for the UCP-NYC Project is \$7,000,000. The actual principal amount of Bonds issued for the UCP-NYC Project may differ from such amount. The UCP-NYC Project includes the financing and/or refinancing of certain existing indebtedness used to finance the acquisition, construction, renovation, furnishing and/or equipping of the following properties:

- (i) (\$2,850,000) a 2-story approximately 3,835 s.f. building located at 845 Seton Place, a/k/a 841 Seton Place, Brooklyn, NY 11230 (Borough of Brooklyn) to serve as an IRA for 8 individuals, and
- (ii) (\$4,370,000) approximately 26,557 s.f. of leased space on the first floor of an 8-story approximately 574,000 s.f. building located at 630 Flushing Avenue, Brooklyn, NY 11206, a/k/a 461-475 Marcy Avenue, a/k/a 592-650 Flushing Avenue, a/k/a 216 Tompkins

Avenue, a/k/a 733-133 Hopkins Street (Borough of Brooklyn) to serve as a day habilitation facility.

UCP-NYC is the owner, except where indicated as leased, and/or operator of the UCP-NYC Project.

A public hearing with respect to the proposed issuance of the Bonds will be held in DASNY's main office at 515 Broadway, Albany, New York 12207 at 10:00 a.m. on May ____, 2017. Written comments must be received at the Office of Counsel at the above address no later than such date. Materials relating to the proposed issuance of the Bonds are available for inspection at such location from 9:00 a.m. to 5:00 p.m. on any business day preceding the hearing and at the hearing. Further information may be requested from DASNY's Office of Counsel at the above address or by calling (518) 257-3120.

IAC CAPITAL FINANCE PROGRAM: POOL #24

Agency	Project Address	Project Type	# People Served	Gross Sqft	# Stories	Description of Proposed Project	Project Start Date	Project Complete Date	SEQR Determination
Adapt Community Network, Inc. (formerly UCP of NYC)	845 Seton Place, Brooklyn (Kings County)	IRA	8	3,835	1	New construction of single-family residence	Jun-17	TBD	Type II, 617.5(c)(9)
	630 Flushing Ave, 1st Floor, Brooklyn (Kings County)	Day Hab	94	26,557	1	Reimbursement: property acquisition (lease 10/2016), renovations	Oct-16	Jul-17	Type II, 617.5(c)(2)&(23)
General Human Outreach in the Community, Inc. (GHO)	159-09 137 th Avenue, 1st & 2nd Fls, Jamaica (Queens County)	IRA	8	2,816	2	Reimbursement (property acquisition 9/2016), renovations	Nov-16	TBD	Type II, 617.5(c)(2)&(23)
HASC Center, Inc.	1427 E. 65th St, 1st & 2nd Fls, Brooklyn (Kings County)	IRA	8	2,600	2	Reimbursement (property acquisition 8/2016), renovations	Dec-16	Jun-17	Type II, 617.5(c)(2)&(23)
Human Care Services	592 East 7th Street, Brooklyn (Kings County)	IRA	11	2,640	2	Reimbursement (property acquisition 11/2015), new construction	May-15	Apr-17	Type II, 617.5(c)(9)&(23)
Life's WORC	247-04, 247-06 136th Avenue, Rosedale (Queens County)	IRA	7	3,134	1	Reimbursement (property acquisition 2/2016), new construction, furniture	Sep-16	Oct-17	Type II, 617.5(c)(9),(23)&(25)
	1 West 129th Street (2100 Fifth Avenue), Manhattan (NY County)	IRA	24	14,220	3	Renovation of leased space	May-16	Jan-17	Type II, 617.5(c)(2)
	9 Jefferson Street, East Islip (Suffolk County)	IRA	6	2,236	1	Reimbursement (property acquisition 5/2017), renovations	Jan-17	Jun-17	Type II, 617.5(c)(2)&(23)
New Horizons Resources	24 Gerry Road, Poughkeepsie (Dutchess County)	IRA	4	1,566	1	Renovations and architectural design	Nov-16	Apr-17	Type II, 617.5(c)(2)&(21)

IRA = Residence for people with developmental disabilities

Day Hab = Day Habilitation Center for people with developmental disabilities