



DASNY

KATHY HOCHUL
Governor

ALFONSO L. CARNEY, JR.
Chair

REUBEN R. MCDANIEL, III
President & CEO

Memorandum

TO: Sara P. Richards, Esq., Managing Senior Director, Government and Administration

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



DATE: October 12, 2021

RE: *State Environmental Quality Review (SEQR) Type II Determination* for the State University of New York's *SUNY Dormitory Facilities Revenue Bonds Program* (SUNY Dormitory Facilities Revenue Bonds)

The Dormitory Authority of the State of New York ("DASNY") has received a funding request from the State University of New York ("SUNY") for the issuance of bonds under DASNY's State University of New York Dormitory Facilities Revenue Bonds Program. DASNY's authorization of the issuance of one or more series of fixed and/or variable rate, tax-exempt and/or taxable bonds in an amount not to exceed \$700,000,000 are to be sold at one or more times through a negotiated offering. The term of the refunding bonds will not exceed the term of the bonds being refunded.

Based on a review of the attached *Single Approval Transaction Summary*, dated October 5, 2021 (attached), the proceeds of the bond issuance would be used to refund all or a portion of various DASNY bonds including all of the remaining bonds issued under the old State University Dormitory Facilities Lease Revenue Bond program and bonds issued under the new State University of New York Dormitory Facilities Revenue Bond program (approximately \$699.7 million, the "Proposed Project").

The proposed refunding is expected to defease all remaining bonds outstanding under the State University Dormitory Facilities Lease Revenue Bond program which will place bonds issued under the State University of New York Dormitory Facilities Revenue Bond program in the first lien position.

SUNY is the largest state sponsored higher education system in the United States serving approximately 220,000 students (excluding the community colleges). SUNY derives a portion of its funding from State appropriations to support its programs. The University is governed by a Board of Trustees comprised of 18 members, 15 of whom are appointed by the Governor with the consent of the NYS Senate. The president of the Student Assembly serves as a voting member, and the presidents of the University Faculty Senate and Faculty Council of Community Colleges serve as non-voting members. SUNY is accredited by the Middle States Association of Colleges and Secondary Schools.

SUNY's Residence Hall program operates over 450 facilities across 25 campuses. Each campus has its own unique mix of housing options. These options consist of standard double occupancy rooms, quads which are two to four-bedroom suite type housing that share a "suite" and bathroom and apartment style housing with a kitchen, common area and more than one bathroom.

DASNY completed this review pursuant to 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 Code, Rules and Regulations* ("N.Y.C.R.R."), which collectively contain the requirements for the SEQRA process. Based on review of the previously referenced *Single Approval Transaction Summary*, it has been determined that the funding would be used, in part, for the refunding of existing debt. The "...refunding of existing debt..." is a Type II action under SEQRA, as specifically designated by 6 N.Y.C.R.R. § 617.5(c)(29). Type II "...actions have been determined not to have a significant impact on the environment or are otherwise precluded from environmental review under Environmental Conservation Law, article 8.¹" Therefore, no further SEQRA determination or procedure is required for any component of the Proposed Project identified as Type II.

The Proposed Project was 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 Project being funded with bond proceeds. It is the opinion of DASNY that the Proposed Project 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: Frederick W. Clark, III, Esq.
Stephen J. Kosier
SEQRA File
OPRHP File

¹ 6 N.Y.C.R.R. § 617.5[a]

Single Approval Transaction Summary

State University of New York

October 5, 2021

Program: SUNY Dormitory Facilities Revenue Bonds

Purpose: Refunding

New Issue Details

One or more series of fixed and/or variable rate, tax-exempt and/or taxable bonds in an amount not to exceed \$700,000,000 are to be sold at one or more times through a negotiated offering. The term of the refunding bonds will not exceed the term of the bonds being refunded.

- Co-Lead Managers – Bank of America Securities and Siebert Williams Shank & Co., L.L.C.
- Co-Bond Counsel – Nixon Peabody LLP and D. Seaton and Associates

Purpose

- Refunding all or a portion of various DASNY bonds including all of the remaining bonds issued under the old State University Dormitory Facilities Lease Revenue Bond program and bonds issued under the new State University of New York Dormitory Facilities Revenue Bond program (\$699.7 million).

Security

- First lien on Dormitory Rentals deposited in the Tax and Finance Dormitory Facilities Revenue Fund. Currently, bonds outstanding under the old State University Dormitory Facilities Lease Revenue Bond program have the first lien on these revenues. The proposed refunding is expected to defease all remaining bonds outstanding under the State University Dormitory Facilities Lease Revenue Bond program which will place bonds issued under the State University of New York Dormitory Facilities Revenue Bond program in the first lien position.

Current Ratings: Aa3/A+/A+

Overview

SUNY is the largest state sponsored higher education system in the United States serving approximately 220,000 students (excluding the community colleges). SUNY derives a portion of its funding from State appropriations to support its programs. The University is governed by a Board of Trustees comprised of 18 members, 15 of whom are appointed by the Governor with the consent of the NYS Senate. The president of the Student Assembly serves as a voting member, and the presidents of the

University Faculty Senate and Faculty Council of Community Colleges serve as non-voting members. SUNY is accredited by the Middle States Association of Colleges and Secondary Schools.

SUNY's Residence Hall program operates over 450 facilities across 25 campuses. Each campus has its own unique mix of housing options. These options consist of standard double occupancy rooms, quads which are two to four-bedroom suite type housing that share a "suite" and bathroom and apartment style housing with a kitchen, common area and more than one bathroom.

Pursuant to the Enabling Act, SUNY assigned to DASNY all rights in revenues received as dormitory facilities revenues. SUNY as agent for DASNY is required to immediately deposit such revenues, without appropriation, to the Commissioner of Taxation and Finance for deposit to the Dormitory Facilities Revenue Fund (the "Fund"). The Fund is held separate and apart from the State Treasury. Moneys are used to pay the principal of and interest on existing DASNY SUNY Dormitory debt, debt service for any new bonds issued, and to fund operations and maintenance and repair and replacement reserve funds. Any moneys remaining in the Fund after payment for such purposes vests in SUNY and becomes the absolute property of SUNY to fund SUNY budgeted operating, maintenance and repair expenses for SUNY Dormitories.

Prior to 2013, DASNY issued under the old State University Dormitory Facilities Lease Revenue Bond program (old SUNY Dorm Program). The new State University of New York Dormitory Facilities Revenue Bond program (new SUNY Dorm Program) eliminates the SUNY General Obligation, eliminates State appropriation for the payment of debt service and relies exclusively on Dormitory Revenues for the payment of debt service.

Description of the Bonds

- The Bonds are special obligations of DASNY.
- The Bonds are payable from Dormitory Rentals deposited in the Tax and Finance Dormitory Facilities Revenue Fund. The Bonds are also secured by the funds and accounts established under the Resolution.



DASNY

DIVISION OF PUBLIC FINANCE AND PORTFOLIO MONITORING
PORTIA LEE, MANAGING DIRECTOR
PREPARED BY: STEPHEN J. KOSIER (518) 257-3157

Single Approval Transaction Summary

State University of New York

October 5, 2021

Program: SUNY Dormitory Facilities Revenue Bonds

Purpose: Refunding

Additional Information

- The State University of New York Dormitory Facility Revenue Bond program does not have a State appropriation feature, eliminating appropriation risk.
- The State University of New York Dormitory Facilities Revenue Bonds are not a general obligation of the State University of New York, eliminating any SUNY or New York State debt service support for the bonds.
- The State University of New York Dormitory Facilities Revenue Bonds are supported solely by third party revenues generated by student rents.
- SUNY had net dormitory facilities revenue of \$222.7 million in 2020, compared to its five-year average of \$221.0 million.
- SUNY's dormitories have historically had occupancy rates of approximately 95%. However, for fall 2020, SUNY's dormitories overall occupancy fell to 62.8% stemming from the COVID-19 pandemic. Fall 2021 utilization is expected to bounce back from fall 2020 levels but to a level that is still below pre-COVID-19 utilization.
- In July 2020 DASNY issued Series 2020A bonds to provide temporary debt service relief to SUNY by refunding all of the debt service due and payable in SUNY fiscal years 2021 and 2022 for SUNY's outstanding bonds issued by DASNY.
- The refunding would result in net present value savings of approximately \$45.6 million, or 7.8% of the bonds being refunded, assuming favorable market conditions.
- The proposed refunding is expected to defease all remaining bonds outstanding under the State University Dormitory Facilities Lease Revenue Bond program which will place bonds issued under the State University of New York Dormitory Facilities Revenue Bond program in the first lien position.

Approvals

- TEFRA Hearing – N/A
- SEQR Filing – October 12, 2021*
- PACB Approval – October 20, 2021*

*Anticipated date.

Recommendation

Staff recommends that the Board approve and adopt the necessary documents under the State University of New York Dormitory Facilities Revenue Bond program for one or more series of bonds in an amount not to exceed \$700,000,000.

Transaction Report

SUNY Dormitory Facilities Revenue Bond Program

INSTITUTION: The State University of New York (“SUNY”) was created in 1948, operating within the State’s Education Department under the Board of Regents. In 1949, it assumed control of the 29 existing State-supported institutions, many of which were professional and technical schools with an emphasis on applied arts and sciences and teacher training. Between 1957 and 1962, four university centers were established: Stony Brook, Albany, Binghamton, and Buffalo. In 1964, the six two-year Agricultural and Technical Institutes became Agricultural and Technical Colleges and in 1987 were designated either Colleges of Technology or Colleges of Agriculture and Technology. Two additional colleges of arts and science were opened in 1968: The State University College at Old Westbury and the State University College at Purchase. Today, SUNY is comprised of 37 campuses, including the four university centers, four health sciences centers, thirteen colleges of arts and sciences, two specialized colleges, eight colleges of technology, five statutory colleges operating under contract on the campuses of independent universities and one agricultural experimental station. In addition, SUNY administration also has certain oversight responsibilities for the 30 locally sponsored Upstate Community Colleges established throughout the State.

A Board of Trustees consisting of 18 members, 15 of whom are appointed by the Governor with the consent of the NYS Senate, governs SUNY. The president of the Student Assembly serves as a voting member, and the presidents of SUNY Faculty Senate and Faculty Council of Community Colleges serve as non-voting members. The Governor also appoints the Chairman and Vice-Chairman of the Board. The Board of Trustees appoints its own officers, the Chancellor, the Senior Administration staff, and Campus Presidents. While each University Center and College of SUNY is administered locally, they are subject to overall review and supervision by SUNY’s Board of Trustees.

SUNY Residence Hall Program: SUNY’s Residence Hall program operates over 450 facilities across 25 campuses. Each campus has its own unique mix of housing options. These options consist of standard double occupancy rooms, quads which are two to four-bedroom suite type housing that share a “suite” and bathroom and apartment style housing with a kitchen, common area and more than one bathroom.

Pursuant to the Enabling Act, SUNY assigned to DASNY all rights in revenues received as dormitory facilities revenues. SUNY as agent for DASNY is required to immediately deposit such revenues, without appropriation, to the Commissioner of Taxation and Finance for deposit to the Dormitory Facilities Revenue Fund (the “Fund”). The Fund is held separate and apart from the State Treasury. Moneys are used to pay the principal of and interest on existing DASNY SUNY Dormitory debt, debt service for any new bonds issued, and to fund operations and maintenance and repair and replacement reserve funds. Any moneys remaining in the Fund after payment for such purposes vests in SUNY and becomes the absolute property of SUNY to fund SUNY budgeted operating, maintenance and repair expenses on SUNY Dormitories.

Prior to 2013, DASNY issued under the old State University Dormitory Facilities Lease Revenue Bond Program (old SUNY Dorm Program). The new State University of New York Dormitory Facilities Revenue Bond program (new SUNY Dorm Program) eliminates the SUNY General Obligation, eliminates State appropriation for the payment of debt service and relies exclusively on Dormitory Revenues for the payment of debt service.

DASNY Financing History: DASNY has issued eight series of bonds under the new SUNY Dorm Program. Below is a summary of all outstanding bonds for SUNY Dorms as of June 30, 2021.

<i>Outstanding SUNY Dorms Debt (\$ thousands) As of June 30, 2021</i>		
<u>Program</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Old SUNY Dorm Program	\$2,973,376	\$ 5,495
New SUNY Dorm Program		
Series 2013A	440,025	87,315
Series 2015A	268,825	146,990
Series 2015B	286,225	221,510
Series 2017A	344,665	308,455
Series 2018A	134,070	120,695
Series 2019A	141,485	130,975
Series 2019B (Fed Taxable)	560,800	547,875
Series 2020A (Fed Taxable)	328,450	328,450
Sub-total	2,504,545	1,892,265
Total	<u>\$5,477,921</u>	<u>\$1,897,760</u>

COVID-19: SUNY took several actions during the spring 2020 semester in response to the COVID-19 outbreak, including transitioning in-person classroom instruction to distance-learning. As a result, most students who were residing in the SUNY residence hall facilities prior to the outbreak moved off campus. SUNY campuses, however, remained open through the end of the spring 2020 semester to accommodate students with special circumstances such as those who did not have other safe living and dining arrangements and students with limited or no access to technology. Summer 2020 sessions at all SUNY campuses were offered entirely through online instruction, although SUNY campuses remained open. Each of SUNY's campuses have been open fully since the fall 2020 semester, with the curriculum delivered either in person, virtually or a combination of both.

Occupancy declined to 62.8% in fall 2020 from 93.9% in Fall 2019 as a result of COVID-19. SUNY has recently established policies and protocols which are expected to provide a more robust on-campus academic and residential experience, while continuing to protect the health and safety of the SUNY campus communities. All students (with limited exemptions) attending a SUNY institution in the fall 2021 semester and thereafter are required to receive a COVID-19 vaccination. All students with exemptions will be subject to mandatory weekly COVID-19 testing administered by the campus. Such students will also be required to adhere to the health and safety protocols implemented by the campus, which may include social distancing, mask-wearing, and additional surveillance testing, among others. Fall 2021 utilization is expected to bounce back from fall 2020 levels but to a level that is still below pre-COVID-19 utilization.

Though the vaccine directive does not apply to faculty and staff, all SUNY faculty and staff are strongly encouraged to get vaccinated. Unvaccinated faculty and staff are also subject to the mandatory weekly COVID-19 testing and safety protocols.

In response to the anticipated decline in room rental and fee revenues due to COVID-19, SUNY implemented expense reduction actions beginning in 2020 to mitigate the financial impact of COVID-19 on its operating budget and liquidity. SUNY put a freeze on faculty and staff hiring and salary adjustments not required by law, as well as instituting other cost reduction measures across its campuses in relation to travel, purchases, and large-scale contracts. In July 2020 DASNY issued the Series 2020A bonds to provide temporary debt service relief to SUNY by refunding all of the debt service due and payable in SUNY fiscal years 2021 and 2022 for SUNY's outstanding bonds issued by DASNY. All new capital

projects and non-essential initiatives were placed on hold in 2020 except for those already underway, those deemed mission-critical to the academic priorities of SUNY, or projects that include regulatory, compliance, and/or safety components. All capital projects that had been placed on hold have since resumed with appropriate safety protocols in place. SUNY revenues have been aided by funds received from Federal stimulus packages which have provided support to distressed sectors, including higher education. SUNY continues to monitor and manage the impacts of the COVID-19 pandemic to respond both operationally and financially to the impacts of COVID-19. This financing is a refunding which is expected to generate significant savings for SUNY.

THE REFUNDING PLAN: Bond proceeds will be used to refund all or a portion of various DASNY bonds, including all of the remaining old SUNY Dorm Program bonds and bonds under the new SUNY Dorm Program. The final maturity will not exceed the final maturity of the bonds being refunded. Under current tax law, the refunding bonds are expected to be issued on a taxable basis or, if it is economically advantageous, on a tax-exempt basis with a forward delivery. If tax law changes to permit tax-exempt advanced refundings the financing may include tax-exempt issuance with standard delivery. Under favorable market conditions, the refunding may result in net present value savings of approximately \$45.6 million which is approximately 7.8% of the refunded bonds. A savings schedule is included as Attachment II.

Current market dynamics may provide the ability to further enhance potential savings for SUNY using a tender and exchange offer. Tenders and exchanges can be effective tools to enhance potential net present value savings, particularly when the outstanding bonds are going to be refinanced regardless through a taxable refunding. Tenders and exchange economics are driven by investor participation. In the current market there is a mismatch between supply and demand in tax-exempt bonds and an added incentive for investors to participate when the alternative is to have their bonds refunded via a taxable refunding. A tender offer is a public offer by an issuer to repurchase bonds from existing bondholders at a predetermined fixed price or at a price determined by an auction process. The price to be paid for the bonds that are tendered for repurchase would be funded with the issuance of new tax-exempt refunding bonds. An exchange offer is an offer in which the issuer offers new tax-exempt refunding bonds to bondholders in exchange for existing bonds. The tender and exchange offers would qualify as current refundings. If utilized, the tender and exchange would occur concurrently with the proposed refunding. The level

of incremental savings realized by the tender and exchange as compared to a taxable advanced refunding would depend on market dynamics and the level of participation by existing bondholders.

FINANCING DETAILS: Bond proceeds may be used to fund escrow deposits for the refundings of approximately \$699.7 million. Costs of issuance, including underwriter’s discount and the State Bond Issuance Charge, are estimated at \$8.3 million. The bonds will fund a capitalized interest fund to cover debt service through July 1, 2022 of approximately \$12.9 million. The SUNY Dorm program is anticipated to contribute approximately \$28.8 million of equity for deposit into the refunding escrow. The financing may therefore require a bond issuance of approximately \$613.9 million in par and \$78.1 million in premium issuance. An estimate of the sources and uses of funds is provided in Attachment I. Staff is requesting a not to exceed amount of \$700 million.

Security Provisions: Security for the bonds will consist of a first lien on Dormitory Rentals deposited in the Tax and Finance Dormitory Facilities Revenue Fund. Currently, bonds outstanding under the old State University Dormitory Facilities Lease Revenue Bond program have the first lien on these revenues. The proposed refunding is expected to defease all remaining bonds outstanding under the State University Dormitory Facilities Lease Revenue Bond program which will place bonds issued under the State University of New York Dormitory Facilities Revenue Bond program in the first lien position. Withdrawals for annual debt service will be paid first to DASNY’s Trustee based on a Certification delivered by DASNY to the Commissioner of Taxation and Finance. Such Dormitory Rentals are derived from room rents, fees, and other charges deposited by the campuses to the Fund.

SUNY RESIDENCE HALL PROGRAM: SUNY’s Residence Hall facilities total over 450 and have evolved over time from simple living quarters to centers of activity and interaction for many SUNY students. Today’s students require modern facilities, including amenities that did not exist a decade ago. This demand, along with SUNY’s desire to keep its aging stock of campus housing in a state of good repair, drives the need for rehabilitation and improvements to its campus housing. SUNY’s ability to invest in its residence hall facilities is an essential component of its ability to support its educational and economic mission.

SUNY Enrollment: Total enrollment has averaged over 220,000 during the past five years. For Fall 2020, SUNY reported a 1.29% decrease in total enrollment from Fall 2019. The decline was attributable to a decrease in full-time undergraduate enrollment (4,021 students), which was partially offset by increases in full-time graduate enrollment

(307 students) and part-time enrollment (834 students). SUNY expects total enrollment for the 2021-22 academic year to decrease compared to 2020-21.

The table below presents the last five fiscal years of enrollment.

State University of New York Fall Enrollment Statistics					
	2016	2017	2018	2019	2020
Full-Time					
Undergraduate	159,992	162,921	163,842	161,633	157,612
Graduate	24,099	24,468	24,848	25,271	25,578
Part-Time	35,770	35,048	35,488	35,709	36,543
Total Enrollment	219,861	222,437	224,178	222,613	219,733

Capital Planning: The basis for the SUNY Residence Hall capital plan is the annual five-year capital requests submitted by each campus. These capital plans are submitted each year and provide a multi-year forecast of projects along with a cash flow analysis demonstrating that each campus can operate their individual program in an effective and solvent manner. The project portion of the plans submitted by the campuses is substantiated by a condition assessment survey of campus facilities. SUNY utilizes a software system (AIM-integrated work management system) which includes real time life cycle modeling for all residence halls. This system is currently being utilized in the capital planning process. SUNY typically finances the capital cash flow needs on a year-to-year basis. Below is the five-year capital plan for the SUNY Residence Hall Program broken out between cash expenditures and bond funded capital expenses.

State University of New York Dormitory Facilities Five-Year Capital Plan (\$ In thousands)					
	2022	2023	2024	2025	2026
Bonds	\$ 79,808	\$ 55,979	\$ 83,173	\$ 46,592	\$ 62,631
Cash Financed	<u>82,776</u>	<u>58,272</u>	<u>62,280</u>	<u>79,467</u>	<u>49,731</u>
Total	\$162,584	\$114,251	\$145,453	\$126,059	\$112,362

SUNY Residence Hall Operations: SUNY operates the Residence Hall program without any direct State tax support, instead relying on room rent revenue to pay for all operating expenses and capital improvements. Each campus can set its own room rental rates. SUNY Residence Hall Operation Policy and Guidelines state: “Campuses are responsible for developing a residence hall budget and determining all room rental rates”. Each campus is responsible for setting room rates sufficient to cover debt service, dorm operations, and to maintain reserve requirements. Campuses are required to submit the

budget and rental rate schedule to SUNY System Administration for review. The individual campus budgets are applied consistently throughout the System. The procedure for determining room rental rates must provide for consultation with students residing in residence halls. The following table presents each campus room rate for the past five years for double occupancy rooms. Room rate increases average approximately 2.64% on an annual basis over the past five years.

State University of New York Standard Double - Annual Room Rate					
Campus	2016-17	2017-18	2018-19	2019-20	2020-21
University Centers and Doctoral Degree Granting Institutions					
Albany	\$ 8,042	\$ 8,364	\$ 8,782	\$ 9,010	\$ 9,280
Binghamton	8,804	9,068	9,368	9,650	9,940
University at Buffalo	7,798	8,032	8,273	8,521	8,844
Stony Brook	8,082	8,401	8,654	9,082	9,532
Downstate Medical Center	5,840	5,840	5,840	5,986	6,167
University Colleges					
Brockport	\$ 7,682	\$ 7,974	\$ 8,278	\$ 8,592	\$ 8,764
Buffalo College	7,787	8,015	8,176	8,340	8,506
Cortland	7,820	7,900	7,980	8,060	8,150
Fredonia	7,600	7,500	7,500	7,600	7,800
Geneseo	7,660	7,890	8,126	8,370	8,622
New Paltz	8,040	8,480	8,862	9,128	9,494
Old Westbury	7,300	7,300	7,300	7,660	7,660
Oneonta	7,802	8,514	8,854	9,210	9,580
Oswego	8,390	8,590	8,790	8,790	8,790
Plattsburg	7,280	7,580	7,980	8,340	8,680
Potsdam	7,120	7,360	7,760	8,150	8,475
Purchase	8,442	8,674	8,924	9,098	9,098
Technology Colleges					
Alfred State	\$ 7,280	\$ 7,500	\$ 7,650	\$ 7,990	\$ 7,990
Canton	7,100	7,350	7,600	7,850	8,100
Cobleskill	7,950	7,880	7,960	8,200	8,360
Delhi	6,700	6,901	7,120	7,500	7,760
Farmingdale	7,774	7,858	8,088	8,088	8,170
Maritime	7,714	7,714	7,792	8,026	8,308
Morrisville	7,648	7,648	7,800	7,900	7,900
SUNY Poly	7,612	7,840	8,076	8,278	8,444

The Program has a net Debt Service Coverage requirement of 1.2 times. In 2020 room rents, fees, and other charges totaled approximately \$572.3 million and total expenditures totaled \$349.6 million, resulting in net dormitory facilities revenues of \$222.7 million. Total debt service in 2020 was \$166.2 million resulting in a net Debt Service Coverage ratio of 1.34 times.

The following chart presents the Residence Hall Operations for the past five fiscal years.

State University of New York Dormitory Facilities Operations for Fiscal year (\$ In millions)					
	2016	2017	2018	2019	2020
Income:					
Room Rental	\$535.80	\$539.40	\$549.20	\$593.00	\$555.80
College Fees & Misc. Transfers	9.60	12.70	15.40	24.70	16.50
Total	\$545.40	\$552.10	\$564.60	\$617.70	\$572.30
Expenditures:					
Dorm Operations	\$309.30	\$324.50	\$336.30	\$359.70	\$335.00
Other Programs & Transfers	17.50	17.10	17.60	15.70	14.60
Total	\$326.80	\$341.60	\$353.90	\$375.40	\$349.60
Net Dorm Facilities Revenue	\$218.60	\$210.50	\$210.70	\$242.30	\$222.70
Debt Service Old Program	73.90	61.80	45.00	39.90	28.70
Debt Service New Program	68.00	84.10	111.90	119.20	137.50
Total Debt Service	\$141.90	\$145.90	\$156.90	\$159.10	\$166.20
Debt Service Coverage	1.54	1.44	1.34	1.52	1.34

Note: The total revenue is comprised of both revenue collected and transferred to the Tax and Finance Fund and revenue collected but not yet transferred.

SUNY's 2021 audited financial statements will be finalized in late October or early November, prior to going to market with the proposed refunding. SUNY's Residence Hall program room rental revenues and fee revenues will be lower in 2021 due to the lower utilization experienced during the COVID-19 pandemic. However, federal stimulus funds and residual dormitory facilities revenues are also available for deposit into the Fund. The decline in room rental and fee revenues will also be partially offset by reduced expenditures (discussed in COVID-19 section, above) in 2021.

Dormitory Facilities Utilization: SUNY dormitory utilization for all campuses combined, as presented in the chart below, averaged 95.3% from fall 2016 to fall 2019. Fall 2020 utilization declined to 62.8% due to COVID-19.

State University of New York Fall Occupancy Statistics			
Fall Semester	Revenue Producing		Occupancy Rate Percentage
	Beds Available	Beds Utilization	
2016	71,854	68,440	95.2%
2017	71,691	69,081	96.4%
2018	70,974	67,990	95.8%
2019	69,667	65,384	93.9%
2020	61,337	38,544	62.8%

In fall 2020, the SUNY Residence Hall program had approximately 61,337 available beds in the system, down from 69,667 in fall 2021. The decline in beds available was to accommodate quarantine space and lower room densities due to COVID-19.

Approximately 38,544 beds were occupied in fall 2020, resulting in an occupancy rate of 62.8%. Fall 2021 utilization statistics are expected to be available in October. Utilization is expected to bounce back from fall 2020 levels but to a level that is still below pre-COVID-19 utilization. The table below presents utilization rates by campus for fall 2020.

State University of New York Dormitory Utilization Fall 2020			
Campus	Beds Available	Beds Utilized	Utilization Rate
University Centers and Doctoral Degree Granting Institutions			
Albany	5,402	3,108	57.53%
Binghamton	6,888	5,525	80.21%
University at Buffalo	3,119	2,506	80.35%
Stony Brook	9,890	4,476	45.26%
Downstate Med Cntr	269	189	70.26%
University Colleges			
Brockport	2,290	1,701	74.28%
Buffalo College	1,858	1,213	65.29%
Cortland	2,944	2,400	81.52%
Fredonia	2,240	1,701	75.94%
Geneseo	2,591	2,011	77.61%
New Paltz	3,051	1,617	53.00%
Old Westbury	815	-	0.00%
Oneonta	3,095	121	3.91%
Oswego	3,591	2,544	70.84%
Plattsburg	2,289	1,559	68.11%
Potsdam	1,318	747	56.68%
Purchase	578	387	66.96%
Technology Colleges			
Alfred State	2,324	2,091	89.97%
Canton	849	558	65.72%
Cobleskill	1,046	671	64.15%
Delhi	1,415	850	60.07%
Farmingdale	606	96	15.84%
Maritime	1,236	1,103	89.24%
Morrisville	825	825	100.00%
SUNY Poly	808	545	67.45%

SUMMARY: Staff recommends that the Board approve and adopt the necessary documents under the State University of New York Dormitory Facilities Revenue Bond Program for one or more series of bonds in an amount not to exceed \$700,000,000.



SUNY DORMITORY FACILITIES REVENUE BOND PROGRAM
Sources and Uses of Funds

Sources:	Series 2021 Refunding
Bond Proceeds:	
Par Amount	\$613,935,000
Premium	78,085,106
Other Sources of Funds:	
Equity Contribution from Escrow Release	28,843,413
Total Sources	\$720,863,519

Uses:	Percent of Proceeds	
Escrow Fund Deposits	\$699,651,475	
Capitalized Interest Fund	12,877,442	
Expenses		
Cost of Issuance	615,524	0.10%
State Bond Issuance Charge	5,114,096	0.83%
Underwriter's Discount	2,604,983	0.42%
Total Uses	\$720,863,519	



**SUNY DORMITORY FACILITIES REVENUE BOND PROGRAM
Refunding Savings Analysis**

Date	Existing D/S	New D/S	Gross Savings	PV Savings
07/01/22	-	12,877,442	(12,877,442)	(12,725,563)
07/01/23	30,858,413	28,435,991	2,422,422	2,379,732
07/01/24	57,842,813	55,425,560	2,417,253	2,327,284
07/01/25	57,688,813	55,268,415	2,420,398	2,283,682
07/01/26	31,449,813	29,030,591	2,419,222	2,237,027
07/01/27	50,256,813	47,834,198	2,422,615	2,195,450
07/01/28	61,264,313	58,843,644	2,420,669	2,147,229
07/01/29	63,004,563	60,581,639	2,422,924	2,103,680
07/01/30	65,290,313	62,867,477	2,422,836	2,058,864
07/01/31	59,565,313	57,142,560	2,422,753	2,015,465
07/01/32	60,936,813	58,516,912	2,419,901	1,971,070
07/01/33	55,148,288	52,730,163	2,418,125	1,928,732
07/01/34	41,397,356	38,977,767	2,419,589	1,889,795
07/01/35	27,062,106	24,640,933	2,421,174	1,852,111
07/01/36	34,299,625	31,879,329	2,420,297	1,813,943
07/01/37	35,436,750	33,017,998	2,418,753	1,775,034
07/01/38	28,475,250	26,052,535	2,422,715	1,740,875
07/01/39	22,874,250	20,457,310	2,416,940	1,700,997
07/01/40	18,589,750	16,167,923	2,421,828	1,669,166
07/01/41	18,602,250	16,183,560	2,418,690	1,632,776
07/01/42	18,615,500	16,193,360	2,422,140	1,601,454
07/01/43	18,622,750	16,201,665	2,421,085	1,567,791
07/01/44	18,627,500	16,207,313	2,420,188	1,534,869
07/01/45	18,633,000	16,214,768	2,418,233	1,501,915
07/01/46	11,702,250	9,278,138	2,424,113	1,474,360
Total	906,244,600	861,027,186	45,217,414	32,677,738

PRESENT VALUE ANALYSIS SUMMARY

Total PV Debt Service Savings.....	32,677,738
Less: Prior Funds on Hand.....	-
Plus: Refunding Funds on Hand.....	<u>12,879,031</u>
NET PRESENT VALUE BENEFIT.....	45,556,769
NPV BENEFIT OF BONDS BEING REFUNDED.....	7.84%