



DASNY

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Memorandum

TO: Mike E. Cusack, Esq., General Counsel

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

DATE: December 7, 2020

RE: *State Environmental Quality Review (SEQR) Type II Determination for the State University of New York's Fashion Institute of Technology – Refunding and Restructuring Program, Borough of Manhattan, New York County, New York*

Description of Proposed Action and Proposed Project. The Fashion Institute of Technology (“FIT”) Student Housing Corporation has requested financing from the Dormitory Authority State of New York (“DASNY”) for its *Refunding and Restructuring Program* (the “Proposed Project”). Based on a review of the attached Transaction Summary Update, dated December 1, 2020, it has been determined that the Proposed Action would involve DASNY’s authorization of one or more series of tax-exempt and/or taxable, fixed- and/or variable-rate bonds in an amount not to exceed \$39,000,000 under DASNY’s Other Independent Institutions Program, with a term not to exceed 18 years, and sold through either a negotiated offering or private placement.

More specifically, the proceeds from the Series 2020 bond issue or issues would be used for the Proposed Action, which would consist of the partial refunding and restructuring of DASNY’s FIT Student Housing Corporation Insured Revenue Bonds, Series 2007 (the “Series 2007 Bonds”) to provide near term debt service relief.

Corporation. The FIT Student Housing Corporation (the “Corporation”) is a not-for-profit corporation formed by FIT to develop and operate its dormitories. The Corporation currently owns and operates Nagler Hall, Coed Hall, Alumni Hall, and Kaufman Hall. Nagler Hall is a 10-story residential facility which was completed in 1960 and can house approximately 300 students. Coed Hall is a 15-story residential facility, which was completed in 1975, and can house approximately 410 students. Alumni Hall is an 18-story residential facility which was completed in 1988 and can house approximately 500 students. Kaufman Hall, located at 406 West 31st Street, opened in 2006 and the 15-story residential facility can house approximately 1,090 students.

FIT was founded in 1944 to address the fashion industry’s need for professionally trained people. In 1951, FIT became one of the first community colleges under the Upstate Community Colleges Program of the State University of New York empowered to grant the Associate in Applied Science degree. An amendment to the Education Law was approved in 1975 permitting Bachelor of Science and Fine Arts degrees. In 1979, another amendment was approved authorizing the granting of master’s degrees. FIT receives its principal support from New York State and City of New York appropriations and from tuition revenue. FIT is a fully accredited member of the Middle States Association of Colleges and Secondary Schools, the National Association of Schools of Art and Design, and the Foundation for Interior Design Educational Research.

COVID-19 Response. In response to the COVID-19 pandemic, all Fall 2020 classes, with the exception of some School of Graduate Studies classes, are being offered in online and remote environments. The full magnitude and long-term impact of the pandemic on FIT's operations are not known at this time. All of FIT's current plans, in response to the pandemic, have been approved by SUNY, and FIT is subject to directives from both SUNY and the State of New York. In accordance with a SUNY mandate, FIT has begun conducting mandatory biweekly coronavirus testing of all on-campus students and campus-based employees.

SEQR Determination. DASNY completed this environmental review in accordance with the *State Environmental Quality Review Act* ("SEQRA"), codified at Article 8 of the New York *Environmental Conservation Law* ("ECL"), and its implementing regulations, promulgated at Part 617 of Title 6 of the *New York Codes, Rules and Regulations* ("N.Y.C.R.R."), which collectively contain the requirements for the SEQR process.

The Proposed Project components would involve the "...refinancing of existing debt," which is a Type II action as specifically designated by 6 N.Y.C.R.R. § 617.5(c)(29) of SEQR. Type II "actions have been determined not to have significant impact on the environment or are otherwise precluded from environmental review under Environmental Conservation Law, article 8." Therefore, no further SEQR determination or procedure is required for a Proposed Project identified as Type II.

SHPA Determination. The Proposed Action 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 Action 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: Dena T. Amodeo, Esq.
Matthew T. Bergin
SEQR File
OPRHP File