

NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

R E S O L U T I O N No. 24-HF-950

APPROVING A SPECIFIED PROJECT OF THE HOUSING FINANCE AGENCY  
(Affordable Housing Revenue Bonds -  
Marcus Garvey Extension 2 (Buildings C&E))

WHEREAS, the New York State Public Authorities Control Board ("PACB"), created pursuant to Chapter 38, Laws of 1976, as amended, is empowered by Section 51 of the Public Authorities Law to receive applications from designated public benefit corporations, including the Housing Finance Agency ("HFA"), for approval of the acquisition, rehabilitation, construction or financing of any project proposed by any such public benefit corporation; and

WHEREAS, the PACB has duly received an application from HFA for approval of site acquisition and new construction of two eight-story buildings located at 380 Chester Street and 753 Thomas S. Boyland Street, Brooklyn, New York, containing 177 revenue-generating residential units, of which 16 units are expected to be set aside for households with income at or below 40% of the Area Median Income adjusted for family size for the New York, NY Metropolitan Fair Market Rent Area ("AMI"), 88 units are expected to be set aside for households with income at or below 50% of AMI, and 73 units are expected to be set aside for households with income at or below 70% of AMI, and of which approximately 88 are expected to be supportive units, with supportive services funding from the Empire State Supportive Housing Initiative ("ESSHI") administered by the Office of Mental Health, known as Marcus Garvey Extension

Phase 2 - Buildings C&E (the "Project"), to be partially financed through the issuance of bonds in an amount not to exceed \$70,710,000; and

WHEREAS, HFA intends to provide for the financing for the Project through the issuance of one or more series of fixed-rate or variable-rate, taxable or tax-exempt bonds in accordance with applicable provisions of the Internal Revenue Code of 1986, as amended, with a final maturity of not more than 50 years (the "Bonds"); and

WHEREAS, the Bonds will be issued under the Affordable Housing Revenue Bonds Bond Resolution, adopted by the HFA Members on August 22, 2007, as supplemented (the "Affordable Housing Resolution"); and

WHEREAS, the Loan (as defined below) and other collateral for the Bonds, and the loans and collateral financed or refinanced with proceeds of additional bonds, if any, issued under the Affordable Housing Resolution, may be pledged to secure all bonds outstanding from time to time under the Affordable Housing Resolution; and

WHEREAS, to the extent the Bonds are issued as tax-exempt bonds, such Bonds may require an allocation of the State's Private Activity Bond Cap; and

WHEREAS, HFA intends to award the Bonds by either negotiated sale or a private placement; and

WHEREAS, HFA expects to finance the Project through a mortgage

loan (the "Loan") to MGX Associates Phase 2 CE LLC or another single-purpose entity the managing member of which, after permanent conversion, is expected to be controlled by Osborne Association and L+M Development Partners, and the developer will be L+M Development Partners LLC, in the maximum aggregate amount of \$70,710,000, with the Loan amortizing over not more than 50 years; and

WHEREAS, the total estimated development cost of the Project is approximately \$127,186,287 ("Total Development Cost") comprising the requested bond financing, an HFA subsidy loan, a subsidy loan from the New York City Department of Housing Preservation and Development, federal and state low-income housing tax credits, and a deferred developer fee; and

WHEREAS, the Loan will be secured by supplemental security provided by TD Bank, N.A., during construction and by the SONYMA Mortgage Insurance Fund during the permanent loan period; and

WHEREAS, if upon final certification of costs of the Project it is determined that the costs of the Project that are eligible for tax-exempt reimbursement are lower than anticipated, requiring the redemption of tax-exempt Bonds previously issued, then HFA may redeem said amount of the tax-exempt Bonds and issue a like amount of taxable Bonds provided that the aggregate amount of Bonds outstanding at any time does not exceed \$70,710,000; and

WHEREAS, a copy of the HFA's application has been duly filed

with the Comptroller and he has had an opportunity to comment;

NOW, THEREFORE, BE IT RESOLVED, that PACB approves the Project identified below, in accordance with Section 51 of the Public Authorities Law:

(Continued on Next Page)

Project Description

Marcus Garvey Extension 2 (Buildings C&E)

The new construction of 177 revenue-generating residential rental units in two 8-story buildings

(Kings County)

**SOURCES AND USES**

**Sources of Funds - Construction**

**Estimated Amount**

**Total Project**

HFA First Mortgage	\$	10,280,000
HFA Construction Loan	\$	54,000,000
HFA SHOP	\$	7,488,462
HPD SHLP	\$	22,524,860
HCR Accrued Interest during Construction	\$	3,695,859
Federal Low Income Housing Tax Credits	\$	15,725,528
State Low Income Housing Tax Credits	\$	4,319,568
Sponsor Loan	\$	1,436,900
Deferred Reserves	\$	844,729
Deferred Developer Fee	\$	6,870,380

**Total Sources      \$      127,186,287**

**Sources of Funds - Permanent**

**Estimated Amount**

**Total Project**

HFA First Mortgage	\$	10,280,000
HFA SHOP	\$	20,398,464
HPD SHLP	\$	22,524,860
HCR Accrued Interest during Construction	\$	3,695,859
Federal Low Income Housing Tax Credits	\$	52,418,428
State Low Income Housing Tax Credits	\$	14,398,560
Sponsor Loan	\$	1,436,900
Deferred Developer Fee		\$2,033,216

**Total Sources      \$      127,186,287**

**Uses of Funds**

Project Cost	\$125,234,048
Cost of Issuance	\$1,411,320
Bond Issuance Fee	\$540,918

**Total Uses      \$      127,186,287**

Maximum Amount of Bonds to be Issued:  
Not to Exceed \$70,710,000 Outstanding at Any Time

\* \* \* \* \*

The resolution shall become effective upon:

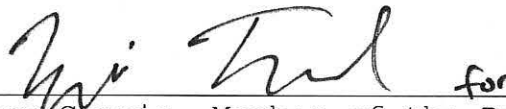
1. A determination by the HFA of the availability of Total Development Cost;
2. Receipt of a rating on the Bonds of not less than "A" from any nationally recognized rating agency from which a rating is requested; and
3. The award of Bonds at negotiated sale or private placement at a net interest cost not to exceed 7.50%.



Elizabeth R. Fine, Chair  
Public Authorities Control Board



Kenneth Zebrowski, Member of the Board



Leroy Comrie, Member of the Board

24-HF-950


Date: February 21, 2024

CERTIFICATION

STATE OF NEW YORK  
COUNTY OF ALBANY ss.

I, Elyse Young, Secretary of the New York State Public Authorities Control Board, do hereby certify that at a meeting of such Board, held on February 21, 2024, the attached resolution was duly adopted by the unanimous vote of the Members of the Board. The resolution attached is a true copy of the resolution and the certification of the determination made by such resolution and of the signatures thereto of each of the Members of the Board or their duly appointed representatives, the original of which is on file in my office. As of the date of this certification, such resolution has not been modified, superseded, amended or repealed and remains in full force and effect.

In witness thereof I have hereunto set my hand this 21st day of February 2024.

  
\_\_\_\_\_  
Elyse Young  
Secretary

STATE OF NEW YORK  
COUNTY OF ALBANY ss.

On this 21st day of February 2024, before me personally came Elyse Young to me known, who, being by me duly sworn, did depose and say that she is the Secretary of the New York State Public Authorities Control Board, that she executed the foregoing certification and that the contents thereof are true.

  
\_\_\_\_\_  
Ben Thapa  
Notary Public, State of New York

**BENJAMIN BIKRAM THAPA**  
**NOTARY PUBLIC-STATE OF NEW YORK**  
**No. 02TH6290854**  
**Qualified in Rensselaer County**  
**My Commission Expires 10-15-2025**