

NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

R E S O L U T I O N No. 20-HF-823

APPROVING A SPECIFIED PROJECT OF THE HOUSING FINANCE AGENCY
(Affordable Housing Revenue Bonds -Silo Project)

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 the HFA for approval to fund the adaptive reuse of two historic grain processing buildings collectively known as the American Elevator complex into 168 units of affordable family housing in Downtown Buffalo adjacent to the City's Old First Ward, to be known as the Silo City Phase I Project (the "Project"), which will serve as the first phase of a multi-phase development strategy that attempts to further revitalization efforts by reinforcing the area with affordable housing, preserving historical community assets, and cultivating an energetic, art-centric district, where of the total units, thirty-eight (38) units are expected to be set-aside for family households with income at or below 40% of the Area Median Income (AMI) adjusted for family size for the Buffalo-Niagara Falls, NY MSA, where thirty-three (33) units are expected to be set-aside

for family households with income at or below 50% of AMI, and where sixty-two (62) units are expected to be set-aside for family households with income at or below 60% of AMI, and thirty-five (35) units are expected to be set-aside for family households with income at or below 80% of AMI, where the Project is to be partially financed through the issuance of bonds in an amount not to exceed \$43,060,000; and

WHEREAS, the 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 40 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 will require an allocation of the State's Private

Activity Bond Cap; and

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

WHEREAS, the HFA expects to finance the Project through a mortgage loan to Silo City Phase I, LLC or another single-purpose entity controlled by Generation Development Group, LLC, a for-profit entity whose principals are Marvin Wilmoth and Anthony Ceroy, in the maximum aggregate amount of \$43,060,000, with the Loan amortizing over not more than 40 years; and

WHEREAS, the total estimated cost of the construction of the Project is approximately \$62,417,993 comprised of the requested bond financing, HFA subsidy funds, federal historic tax credits, state historic tax credits, brownfield tax credits, deferred developer fee, and a PILOT from the City of Buffalo for 15 years; and

WHEREAS, the Loan will be secured by a letter of credit provided by JP Morgan Chase, and the SONYMA Mortgage Insurance Fund will provide insurance 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 the 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 \$43,060,000; 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:

Project Description

Silo Project

The adaptive reuse of commercial buildings into affordable family housing in the City of Buffalo.

(Erie County)

<u>Sources of Funds-Construction</u>	<u>Estimated Amount</u>
HFA First Mortgage	\$ 8,090,000
HFA Construction Loan	\$ 24,370,000
HFA Recycling Bonds	\$ 6,685,000
HCR Subsidy: New Construction Program	\$ 9,686,438
HCR Subsidy Middle-Income Housing Supplement	\$ 2,549,063
Tax Credit Equity: LIHTC	\$ 2,561,211
Tax Credit Equity: Federal Historic Credits	\$ 1,520,983
Tax Credit Equity: State Historic Credits	\$ 547,445
Tax Credit Equity: Brownfield Cleanup Program	\$ 1,218,473
Deferred Developer Fee	\$ 5,189,400
Total Sources	\$ 62,417,993

<u>Sources of Funds-Permanent</u>	<u>Estimated Amount</u>
HFA First Mortgage	\$ 8,090,000
HCR Subsidy: New Construction Program	\$ 10,762,708
HCR Subsidy Middle-Income Housing Supplement	\$ 2,832,292
Tax Credit Equity: LIHTC	\$ 17,074,738
Tax Credit Equity: Federal Historic Credits	\$ 10,139,887
Tax Credit Equity: State Historic Credits	\$ 3,649,635
Tax Credit Equity: Brownfield Cleanup Program	\$ 8,123,150
Deferred Developer Fee	\$ 1,745,583
Total Sources	\$ 62,417,993

<u>Uses of Funds</u>	
Project Cost	\$ 61,443,471
Cost of Issuance	\$ 701,228
Bond Issuance Fee	\$ 273,294
Total Uses	\$ 62,417,993

Maximum Amount of Bonds to be Issued:
Not to Exceed \$43,060,000 Outstanding At Any Time

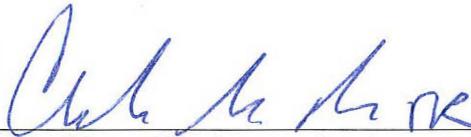
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The resolution shall become effective upon:

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%.



Robert F. Mujica, Jr., Chair
Public Authorities Control Board



Amy Paulin, Member of the Board



Leroy Comrie, Member of the Board

20-HF-823

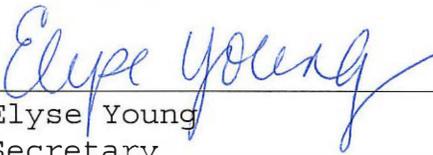
Date: September 16, 2020

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 September 16, 2020, 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.

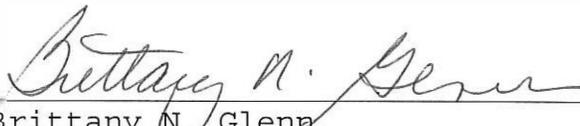
In witness thereof I have hereunto set my hand this 16th day of September 2020.



Elyse Young
Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 16th day of September 2020, 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.



Brittany N. Glenn
Notary Public, State of New York
No. 01GL6253075
Qualified in Rensselaer County
Commission Expires: 12/19/2023