

NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

R E S O L U T I O N No. 25-EF-936

APPROVING SPECIFIED PROJECTS OF THE
NEW YORK STATE ENVIRONMENTAL FACILITIES CORPORATION
(State Clean Water and Drinking Water Revolving Funds Revenue
Bonds, New York City Municipal Water Finance Authority Projects)

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 New York State Environmental Facilities Corporation ("EFC" or "Corporation"), for approval of the acquisition, construction or financing of any project by any such public benefit corporation; and

WHEREAS, PACB has received an application from EFC (the "Application") for approval of the sale by EFC of one or more series or subseries of its variable rate or fixed rate revenue bonds, issued as senior or subordinate revenue bonds, to be designated as determined by EFC, in an aggregate principal amount not to exceed \$727,940,000 (the "EFC Bonds") and, in addition, the approval of a direct financing ("Direct Financing"), as authorized in an EFC Resolution (the "EFC Resolution") duly adopted at a meeting of the EFC Board of Directors held on May 22, 2025, together with materials submitted by EFC to provide evidence of funds sufficient to amortize the EFC Bonds to be sold by EFC; and

WHEREAS, EFC and the New York City Municipal Water Finance Authority (the "Recipient") have identified certain series of bonds as hereinafter identified as the Prior Bonds, that, under current market conditions, would achieve debt service savings upon refunding; and

WHEREAS, EFC is empowered by the New York State Environmental Facilities Corporation Act, constituting Title 12 of Article 5 of the Public Authorities Law, to finance or refinance municipal water pollution control projects, water supply facilities and other eligible projects in the State of New York (the "State") for recipients (including public authorities) and to issue bonds for such purposes; and

WHEREAS, pursuant to Chapter 565 of the Laws of 1989, as amended, the State Water Pollution Control Revolving Fund (the "CWSRF") was established in the custody of EFC to maximize the benefits available under Title VI of the Federal Water Quality Act of 1987, through the leveraging of the corpus of the CWSRF, by securing debt issued to finance or refinance eligible projects and to subsidize the interest costs of such debt; and

WHEREAS, pursuant to Chapter 413 of the Laws of 1996, as amended, the State Drinking Water Revolving Fund (the "DWSRF") was established in the custody of EFC to maximize the benefits available under the Federal Safe Drinking Water Act, through the leveraging

of the corpus of the DWSRF, by securing debt issued to finance or refinance eligible projects and to subsidize the interest costs of such debt; and

WHEREAS, the EFC Bonds are being issued on behalf of the Recipient to refund all or a portion of the outstanding New York State Environmental Facilities Corporation State Clean Water and Drinking Water Revolving Funds Revenue Bonds, Series 2015 A (New York City Municipal Water Finance Authority Projects) (Second Resolution Bonds), previously authorized by PACB, in the original principal amount of \$219,770,000 (the "Prior Bonds") listed on Schedule A, which were issued for the purpose of financing the cost of various water pollution control facilities and water supply facilities for the City of New York (the "City"); and

WHEREAS, the EFC Bonds will be issued pursuant to a new Financing Indenture of Trust, or pursuant to one or more Supplemental Series Indenture of Trust to an existing Financing Indenture of Trust (collectively, the "Indenture") to be entered into with Manufacturers and Traders Trust Company, as Trustee (the "Bond Trustee"), and

WHEREAS, the EFC Bond proceeds and/or the Direct Financing will be used to provide financial assistance to the Recipient for the purpose of refunding all or a portion of the Prior Bonds and any direct financing made in connection with the Prior Bonds and for

financing water pollution control facilities and water supply facilities ("Recipient Projects") listed on Schedule A, in accordance with the terms of one or more Project Finance Agreements, or one or more Supplemental Project Finance Agreements to an existing Project Finance Agreement (collectively, the "Project Finance Agreement") to be entered into by and among EFC, the Recipient and the City; and

WHEREAS, pursuant to the EFC Resolution, EFC may elect to provide the Recipient with a Direct Financing and/or to issue the Bonds on a senior or subordinate basis, in one or more series and, in the event of the issuance of more than one series of Bonds, each series of Bonds may be issued pursuant to a separate supplemental indenture under the Indenture; and

WHEREAS, the EFC Bonds will be secured by revenue bonds (the "Recipient Bonds") to be issued and secured by the Recipient under its Water and Sewer System Second General Revenue Bond Resolution (the "Recipient Second General Bond Resolution"), which Recipient Bonds will bear interest and mature at rates, in amounts and at times that, together with other available funds, will provide sufficient funds to pay the full principal, premium, if any, and interest due on the EFC Bonds; and

WHEREAS, the Recipient Bonds are payable from revenues of the water and sewer system (the "System") of the City and will be special

obligations of the Recipient, issued on a parity, as to security and source of payment, with the outstanding bonds of the Recipient issued under the Recipient Second General Bond Resolution and any future parity bond issued by the Recipient under such resolution; and

WHEREAS, the EFC Bonds, will also be secured on a senior or subordinate basis with other bonds, guarantees or obligations issued by EFC under the CWSRF and DWSRF programs, by the provisions of an Amended and Restated Master Trust Agreement (the "Master Trust Agreement") between EFC and Manufacturers and Traders Trust Company, as trustee and as custodian thereunder, which provides for the administration of Federal grant funds and State matching funds deposited into the CWSRF and the DWSRF; and

WHEREAS, the EFC Bonds to be issued are not general obligations of, do not constitute an indebtedness of or a charge against the general credit of, and do not give rise to any pecuniary liability of, EFC; nor do the EFC Bonds constitute a debt or give rise to any liability of the State of New York or of the City of New York; and no holder of any EFC Bonds has the right to demand the payment of applicable principal of, premium, if any, or interest on the EFC Bonds out of funds raised by taxation; and

WHEREAS, the EFC Bonds may be issued as variable rate bonds the owners of which have the right to tender to the Corporation or

Trustee for purchase, and in such event EFC shall enter into an agreement with a financial institution providing for a source of funds for such purchase which may include a letter of credit, line of credit, standby bond purchase agreement or other credit or liquidity facility (a "Liquidity Facility") and such Liquidity Facility will be secured as provided in the Indenture; and

WHEREAS, the EFC Bonds shall be issued subject to the following conditions: (i) the EFC Bonds shall bear interest at a rate not to exceed a true interest cost of 6.5 percent in the case of federally tax exempt Bonds initially bearing interest at fixed rates and 8.5 percent in the case of federally taxable Bonds initially bearing interest at fixed rates; not to exceed a true interest cost of 15.0 percent in the case of Bonds initially bearing interest at variable rates; and not to exceed 25.0 percent per annum in the case of Bonds purchased by the provider of any Liquidity Facility; (ii) if the EFC Bonds are sold via a negotiated offering, the compensation paid to the underwriters thereof in connection with any negotiated sale of the EFC Bonds shall not exceed 1.5 percent of the aggregate principal amount payable on the EFC Bonds at maturity; and (iii) the EFC Bonds and any Direct Financing shall mature not later than 30 years after their original issue date; and

WHEREAS, pursuant to the Project Finance Agreement, the Recipient shall not be entitled to reimbursement of project costs

that may be in excess of available Direct Financing proceeds, EFC Bond proceeds or proceeds of additional EFC bonds that EFC in its sole and absolute discretion (subject to further PACB approval) may issue; and in the event no additional bonds are issued, the Recipient and the City shall be obligated to complete the project in accordance with the Project Finance Agreement; and

WHEREAS, a copy of the Application has been filed with the Comptroller, and he has had the opportunity to comment.

NOW THEREFORE BE IT RESOLVED, that PACB approves the financing by EFC of the project identified below, in accordance with section 51 of the Public Authorities Law:

PROJECT IDENTIFICATION

<u>Project Description</u>	<u>Estimated Amount</u>
State Clean Water & Drinking Water Bonds	\$727,940,000
<u>Sources of Funds</u>	
Clean Water Bonds	\$472,358,000
Drinking Water Bonds	\$255,582,000
Federal Grants	\$ 0
Total Sources	\$727,940,000
<u>Uses of Funds</u>	
Refinancing of EFC Short-Term	\$461,601,000
Refunding Amount	\$259,315,000
CWSRF and DWSRF reserves	\$ 0
Financing Costs:	
Bond issuance charge	\$919,000
SRF Administrative fee	\$2,766,000
Cost of Issuance	\$3,339,000
	\$7,024,000
Total uses	\$727,940,000

Amount of Bonds to be issued:

not to exceed \$727,940,000

* * * * *

This resolution shall become effective upon the issuance of Bonds by EFC at a true interest cost not to exceed 6.50 percent per annum in the case of Bonds bearing interest at fixed rates (8.50 percent taxable); not to exceed 15.00 percent per annum in the case of Bonds bearing interest at variable or auction rates; and not to exceed 25.00 percent per annum in the case of Bonds purchased by any provider of a Liquidity Facility.



Blake G. Washington, Chair
Public Authorities Control Board



Steven Otis, Member of the Board



Leroy Comrie, Member of the Board

25-EF-936

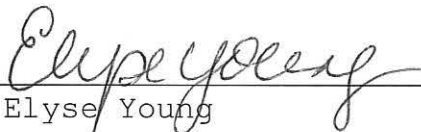
Date: May 28, 2025

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 May 28, 2025, 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 28th day of May 2025.



Elyse Young
Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 28th day of May 2025, 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: 12/19/2027

Schedule A

Prior Bonds

State Clean Water and Drinking Water Revolving Funds Revenue Bonds
Series 2015 A (New York City Municipal Water Finance Authority
Projects) (Second Resolution Bonds)

Recipient Projects

CWSRF Project Nos.

C2-5201-32-00; C2-5203-15-05; C2-5203-21-05; C2-5205-21-05; C2-
5225-84-00; C2-5225-88-00; C2-5225-89-00; C2-5231-21-02; C2-5243-
08-00

DWSRF Project Nos.

19502; 19504; 19782