

PLEASE NOTE – We welcome public comment on the items on the following agenda. To ensure maximum opportunity for participation, speakers representing themselves may speak for up to 2 minutes each, and those representing groups may speak for up to 4 minute (1 speaker per group). Speakers’ comments may address only items considered at today’s meeting. Materials relating to matters that are scheduled for discussion in open session will be available at the meeting and will be posted on ESD’s website prior to the meeting in accordance with the Public Officers Law.

BOND FINANCE COMMITTEE MEETING

at the offices of the
New York State Urban Development Corporation
d/b/a Empire State Development Corporation
633 Third Avenue
New York, N.Y. 10017

Monday

November 23, 2015 – 11:00 a.m.

AGENDA

I. FOR CONSIDERATION

- A. New York State Urban Development Corporation State Personal Income Tax Revenue Bonds (General Purpose), Series 2015A and Series 2015B (Federally Taxable) (collectively, the “Series 2015 Bonds”) – Final Committee Authorization to Perform Certain Acts in Connection with the Sale and Delivery of the Corporation’s Series 2015 Bonds and to Take Related Actions



FOR CONSIDERATION

November 23, 2015

TO: Bond Financing Committee

FROM: Robert M. Godley

SUBJECT: New York State Urban Development Corporation State Personal Income Tax Revenue Bonds (General Purpose), Series 2015A and Series 2015B (Federally Taxable) (collectively, the "Series 2015 Bonds")

REQUEST FOR: Final Committee Authorization to Perform Certain Acts in Connection with the Sale and Delivery of the Corporation's Series 2015 Bonds and to Take Related Actions

Introduction

The Bond Financing Committee of the New York State Urban Development Corporation (the "Corporation") is being asked to approve the forms of the supplemental resolution, preliminary official statement and official statement, notices of sale, supplemental schedule to financing agreement and related documents in connection with the proposed sale and delivery of the Corporation's State Personal Income Tax Revenue Bonds (General Purpose), Series 2015A and State Personal Income Tax Revenue Bonds (General Purpose), Series 2015B (Federally Taxable) (collectively, the "Series 2015 Bonds") and the delegation to certain officers and employees of the Corporation of the power to determine the terms and conditions of the proposed sale of the Series 2015 Bonds, and to award the Series 2015 Bonds to one or more successful bidders in public, competitive sales.

Background

The Series 2015 Bonds will be issued by the Corporation pursuant to the Revenue Bond Financing Program. Bonds issued pursuant to the Revenue Bond Financing Program are secured by a pledge of financing agreement payments payable from amounts legally required to be deposited into the Revenue Bond Tax Fund. The Revenue Bond Tax Fund receives a statutory allocation of 25% of New York personal income tax receipts and distributions of such funds are subject to annual appropriations by the State Legislature.

The Corporation now wishes to sell the Series 2015 Bonds. The Series 2015 Bonds will be issued by the Corporation under the "New York State Urban Development Corporation State

Personal Income Tax Revenue Bonds (General Purpose) General Bond Resolution" adopted on November 16, 2009 (the "General Resolution") and the "New York State Urban Development Corporation Supplemental Resolution Authorizing State Personal Income Tax Revenue Bonds (General Purpose), Series 2015A and State Personal Income Tax Revenue Bonds (General Purpose), Series 2015B (Federally Taxable) (the "Supplemental Resolution"). The General Resolution includes the "State Personal Income Tax Revenue Bonds Standard Resolution Provisions" and authorizes the issuance of Bonds pursuant to a Supplemental Resolution. The Bond Finance Committee is being asked to adopt the Supplemental Resolution.

The Bond Financing Committee previously approved a Master Disclosure Agreement which also will apply to the Series 2015 Bonds. The Bond Financing Committee previously approved the appointment of co-bond counsel and the submission of an application to the Public Authorities Control Board ("PACB") to request authorization to fund the projects or programs for which the Series 2015 Bonds will be issued. The PACB approved such application on October 28, 2015. The Corporation will be using the services of PRAG as a financial advisor. The Division of Budget maintains the contract and the related payment obligations for PRAG.

Series 2015 Bonds

The Series 2015 Bonds will include two separate series of bonds, each issued pursuant to the General Resolution and the Supplemental Resolution. The Series 2015A Bonds will be issued as fixed rate tax-exempt bonds. The Series 2015B Bonds will be issued as fixed rate taxable bonds.

The Series 2015 Bonds will be offered pursuant to one preliminary official statement. Each of the Series 2015A Bonds and Series 2015B Bonds are expected to be sold pursuant to separate notices of sale.

Pursuant to a Financing Agreement between the Corporation and the State, the State agrees to pay to the Corporation, subject to appropriation, in accordance with Article 5-C of the State Finance Law, amounts sufficient to pay the debt service on the Bonds. In connection with the issuance of the Series 2015 Bonds, you are being asked to approve a Supplemental Schedule to the Financing Agreement (the "Supplemental Schedule") that will describe the Series 2015 Bonds.

The Series 2015 Bonds are being issued to finance projects relating to State facilities, economic development activities and certain other State-supported activities. The State programs and the authority for their funding are more fully listed in the Supplemental Resolution. The Series 2015 Bonds are also being issued to refund certain debt previously issued by the Corporation and one or more other authorized State issuers. Proceeds from the Series 2015 Bonds will also be used to finance the cost of issuance of the Series 2015 Bonds.

Requested Action

In accordance with the attached resolution (the "Financing Committee Resolution"), you are hereby requested to adopt the Supplemental Resolution, approve the form of the Supplemental Schedule, authorize the sale of each Series of the Series 2015 Bonds on a public, competitive basis pursuant to the applicable notice of sale appended to the preliminary official statement, approve the form and content of the preliminary official statement and official statement and various documents connected with the sale and delivery of the Series 2015 Bonds, and authorize certain officers and employees of the Corporation to take all actions deemed necessary to accomplish the final sale and delivery of the Series 2015 Bonds.

Please note that by approving the Financing Committee Resolution you will be:

- (a) establishing an aggregate maximum par amount of Series 2015 Bonds that may be issued;
- (b) establishing the maximum true interest cost for each series of the Series 2015 Bonds; and
- (c) delegating to certain officers and employees the power to (i) determine the terms of the Series 2015 Bonds within the parameters set forth therein, including, but not limited to, the final aggregate principal amount of the Series 2015 Bonds, the principal amount of each series of the Series 2015 Bonds, the principal amount of the Series 2015 Bonds maturing in each year, the final maturity date(s) for such Series 2015 Bonds and the interest rates to be borne by the Series 2015 Bonds, and (ii) make such changes to the related documents as he or she deems necessary and appropriate.

Enclosures

Bond Financing Committee Resolution with the following exhibits:

- Exhibit A Supplemental Resolution for the Series 2015 Bonds
- Exhibit B Supplemental Schedule to Financing Agreement for the Series 2015 Bonds
- Exhibit C Preliminary Official Statement for Series 2015 Bonds

BOND FINANCING COMMITTEE
RESOLUTION CONCERNING THE SALE AND ISSUANCE OF
STATE PERSONAL INCOME TAX REVENUE BONDS
(GENERAL PURPOSE), SERIES 2015A AND
SERIES 2015B (FEDERALLY TAXABLE)

Adopted November 23, 2015

WHEREAS, pursuant to the New York State Urban Development Corporation Act, Chapter 174 of the Laws of 1968, as amended and supplemented (the "**Act**"), the New York State Urban Development Corporation (the "**Corporation**") is authorized to issue bonds for any corporate purposes of the Corporation under and pursuant to the State Personal Income Tax Revenue Bonds (General Purpose) General Bond Resolution adopted by the Directors of the Corporation on November 16, 2009, as supplemented (the "**General Resolution**"); and

WHEREAS, on August 23, 1995, the Directors of the Corporation adopted a resolution appointing this Bond Financing Committee and delegating to this Bond Financing Committee responsibility for all future activities including the sale or issuance of bonds or notes issued by the Corporation, including the State Personal Income Tax Revenue Bonds (General Purpose), Series 2015A and Series 2015B (Federally Taxable) (collectively, the "**Bonds**") and including, without limitation, the adoption of the Supplemental Resolution described below, the issuance, sale and delivery of the Bonds, and the preparation, negotiation and approval of appropriate documents in connection therewith; and

WHEREAS, the proceeds of the Bonds will be used to finance certain State of New York (the "**State**") economic development project costs, grants, or loans, highway and bridge capital projects, correctional and youth facilities projects, State facilities projects and housing assistance projects or programs all administered by certain State public benefit corporations or agencies (the "**Projects**"), including but not limited to reimbursing the State for money heretofore advanced by it for such Projects, and to refund certain series of Service Contract Revenue Bonds and Personal Income Tax Revenue Bonds previously issued by the Corporation and the New York Housing Finance Agency, respectively; and

WHEREAS, the Bonds are being issued to finance the Projects pursuant to the Project Acts described in Exhibit A to the Supplemental Resolution and the related appropriations acts (the "**Project Acts**"); and

WHEREAS, the Bonds shall be fixed rate bonds; and

WHEREAS, the interest on the Series 2015A Bonds (the "**Tax-Exempt Bonds**") shall be Federally tax-exempt and the interest on the Series 2015B Bonds (the "**Taxable Bonds**") shall be Federally taxable; and

WHEREAS, the Series 2015A Bonds and the Series 2015B Bonds are to be sold at separate competitive public sales pursuant to which, in each case, different maturity groups of each Series may be sold to different bidders; and

WHEREAS, the Corporation is required (i) by the relevant Project Acts to obtain the approval of the Director of the Budget for the issuance of the Bonds for certain Projects, (ii) by Article 1-A, Sections 50 and 51, of the Public Authorities Law of the State to obtain the approval of the Public Authorities Control Board (the "**PACB**") for the issuance and sale of the Bonds, and (iii) by the Act and Article 5-C of the State Finance Law to obtain the written approval of the State Comptroller for the sale of the 2015 Bonds and the terms thereof if such sale be a private sale to other than the State Comptroller; and

WHEREAS, the Corporation has already obtained or will obtain the required approvals of the Director of the Budget and the PACB and, if required, the State Comptroller prior to the delivery of the Bonds; and

WHEREAS, the General Resolution authorizes the issuance of one or more series of bonds for the purposes set forth therein and containing certain other terms, restrictions and covenants with respect to such bonds and the security pledged to the payment thereof; and

WHEREAS, officers of the Corporation have caused to be prepared a draft resolution entitled "Supplemental Resolution Authorizing State Personal Income Tax Revenue Bonds (General Purpose), Series 2015A and Series 2015B (Federally Taxable)" (the "**Supplemental Resolution**"), pursuant to which the Corporation will authorize the issuance of the Bonds; and

WHEREAS, the Corporation proposes to execute and deliver a Supplemental Schedule (the "**Supplemental Schedule**") to the State Personal Income Tax Revenue Bonds (General Purpose) Financing Agreement, dated as of December 1, 2009, between the Corporation and the State, to provide for the pledge of financing agreement payments to secure the Bonds; and

WHEREAS, officers and employees of the Corporation have caused to be prepared a draft Preliminary Official Statement relating to the Bonds (the "**Preliminary Official Statement**"); and

WHEREAS, certain of the officers and employees of the Corporation intend to participate in the preparation of a final official statement to be used in connection with the issuance and sale of the Bonds; and

WHEREAS, officers of the Corporation have caused to be prepared a Notice of Sale for the Series 2015A Bonds (the "**Series A Notice of Sale**") pursuant to which the Corporation will sell the Series 2015A Bonds by means of a public, competitive sale; and

WHEREAS, officers of the Corporation have caused to be prepared a Notice of Sale for the Series 2015B Bonds (the "**Series B Notice of Sale**") pursuant to which the Corporation will sell the Series 2015B Bonds by means of a public, competitive sale; and

NOW THEREFORE, this Bond Financing Committee, in the name and on behalf of the Corporation, hereby adopts the following which shall be considered a single resolution:

I. Supplemental Resolution

RESOLVED, that the Supplemental Resolution of the Corporation presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit A, is hereby adopted and approved, with such modifications therein and additions thereto or deletions therefrom prior to the issuance and delivery of the Bonds as may be approved by an Authorized Officer (hereinafter defined) or further resolution of the Bond Financing Committee; and further

II. Supplemental Schedule

RESOLVED, that the Supplemental Schedule to the Financing Agreement presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit B, is hereby adopted and approved, and any Authorized Officer is hereby authorized and directed to execute and deliver the Supplemental Schedule prior to the issuance and delivery of the Bonds, with such changes therein and additions thereto or deletions therefrom as the Authorized Officer executing the same may approve, such execution to be conclusive evidence of such Authorized Officer's approval; and further

III. Preliminary Official Statement

RESOLVED, that the Preliminary Official Statement of the Corporation presented to this meeting, a copy of which shall be annexed hereto as Exhibit C, is hereby authorized and approved with such changes therein and additions thereto or deletions therefrom as an Authorized Officer may approve, and the distribution thereof and publication on the Internet in connection with the public offering of the Bonds is hereby authorized, such distribution to be conclusive evidence of such Authorized Officer's approval; and further

IV. Official Statement

RESOLVED, that any Authorized Officer is hereby authorized and directed to make such changes to the Preliminary Official Statement as an Authorized Officer executing the same may approve to create a final Official Statement (the "Official Statement"), and to execute and deliver the same on behalf of the Corporation, such execution to be conclusive evidence of such Authorized Officer's approval; and further

V. Notices of Sale

RESOLVED, that the Series A Notice of Sale and the Series B Notice of Sale, copies of which are annexed to the Preliminary Official Statement as Appendix F thereto and the distribution and publication thereof on the Internet, are hereby authorized, with such changes therein and additions thereto or deletions therefrom as an Authorized Officer may approve, such distribution or publication to be conclusive evidence of such Authorized Officer's approval.

VI. Terms of the Bonds

RESOLVED, that the power (i) to establish the final aggregate principal amount of the Bonds at not greater than \$1,500,000,000, the principal amount of the Bonds maturing in each year, the final maturity date for the Bonds of each series (which shall not be later than the date 30 years after the date of issuance), the interest rates to be borne by the Bonds of each series, and the true interest cost of the Bonds of each series (which true interest cost may not exceed 7.5% for the tax-exempt Bonds and

10% for the taxable Bonds), the redemption provisions of each Series of the Bonds, the particular programs or projects to be financed with the proceeds of each Series of the Bonds and other details of the Bonds and the plan of finance relating thereto, and the date of sale of the Bonds (the "**Terms**"); (ii) to sell each Series of the Bonds at a public, competitive sale pursuant to the applicable Notice of Sale and (iii) to execute and deliver any and all documents required thereby or in connection therewith, is hereby delegated to the Treasurer of the Corporation (or, in such officer's absence, any other Authorized Officer of the Corporation), and action taken by the Treasurer or any other Authorized Officer shall be sufficient, and the approval of the Bond Financing Committee shall be conclusively determined from the signature of any such Authorized Officer on the document or documents evidencing such determinations; that the Supplemental Resolution shall be conformed thereto, with the Terms inserted effective as of the date hereof; and that all other documents relating to the Bonds shall similarly, as appropriate, be conformed thereto; and further

VII. Sale and Issuance of the Bonds

RESOLVED, that the Corporation shall sell and award each Series of Bonds at public, competitive sale in accordance with the applicable Notice of Sale to the successful bidder or bidders (the "**Purchasers**"); and further

RESOLVED, that the Corporation shall issue and deliver each Series of Bonds pursuant to the applicable Notice of Sale and shall apply the proceeds thereof in accordance with the Resolution and certain other certificates to be delivered upon issuance of each Series of the Bonds; and further

VIII. Authorized Officers

RESOLVED, that each of the President and Chief Executive Officer, any Senior Vice President, any Vice President, the General Counsel, the Deputy General Counsel, the Controller, the Treasurer, the Secretary, the Assistant Treasurer and the Assistant Secretary of the Corporation, and any person duly authorized to act in such capacity, is designated an "**Authorized Officer**" for the purposes of this resolution; and further

IX. Appointment of Trustee

RESOLVED, that in connection with the Bonds, the Corporation shall retain The Bank of New York Mellon, as Trustee; and further

X. Further Action

RESOLVED, that the Authorized Officers or their designee(s) are each hereby authorized and directed to approve and execute such documents, make such payments and take such other actions, in the name of the Corporation and on its behalf, as he or she may reasonably deem necessary or appropriate to carry out the foregoing resolutions, including without limitation the acceptance of bids for the purchase of each Series of the Bonds pursuant to the applicable Notice of Sale, the execution and delivery of the Bonds, the acquisition of investments and/or the entering into investment agreements in connection with the Bonds and certifying as to certain Federal tax matters, and that all such actions heretofore taken in connection with the Bonds by any Authorized Officer, or his or her designee(s), are hereby ratified and

approved. Delivery of any documents authorized hereunder shall constitute conclusive evidence of the Corporation's due authorization and approval thereof.