

**Build NYC Resource Corporation  
Finance Committee Discussion**

The Finance Committee convened on April 10<sup>th</sup>, 2017 to discuss the following projects:  
Friends of Seamen's Society and Manhattan College

Finance Committee Members: Andrea Feirstein and Barry Dinerstein

Build NYC Staff Members: Lily Berticevich, Kyle Brandon, Krishna Omolade, Johan Salén, Anne Shutkin

Start: 10:30 AM

End: 11:30 AM

**Friends of Seamen's Society**

Friends of Seamen's Society (the "Institution"), a New York not-for-profit corporation, and its affiliate, Seamen's Society for Children and Families (the "Society"), a New York not-for-profit corporation, provide aid to children and families in need through foster care, a family day care program and family support and youth programs. The Institution and the Society are seeking approximately \$4,650,000 in tax-exempt revenue bonds (the "Bonds"). The Bonds will be used to (1) refinance approximately \$3,990,000 in outstanding New York City Industrial Development Agency Variable Rate Demand Civic Facility Revenue Bonds (2004 Seamen's Society for Children and Families Project) (the "NYCIDA Series 2004 Bonds") issued in the original aggregate principal amount of \$5,355,000, the proceeds of which were used for the acquisition and renovation of an approximately 24,500 square foot building on an approximately 7,500 square foot parcel of land at 50 Bay Street, Staten Island, New York (the "Facility"), (2) pay any redemption premium associated with the NYCIDA Series 2004 Bonds, and (3) pay for certain costs related to the issuance of the Bonds. The Facility is owned by the Institution and leased to the Society which uses it to administer its social services programs.

*Mr. Dinerstein asked for the Institution's sources of revenue.*

*Staff responded that the sources of revenue are government contracts and Medicaid.*

*Ms. Feirstein asked for the amount of debt service for the Institution's existing debt.*

*Staff responded that the current debt service is approximately \$200,000 annually.*

*Mr. Dinerstein asked for the amount of the anticipated savings as a result of the financing.*

*Staff stated that since the Bonds will have a variable interest rate the anticipated savings is unknown.*

*Mr. Dinerstein asked for the number of current contracts and contract length.*

*Staff responded that they would follow up with additional information on the number and length of the current contracts.*

*Ms. Feirstein said why staff was confident that the Institution will be able to pay the debt service on the Bonds.*

*Staff responded that the Institution's income has been steady over the last few years and did not expect a decline due to nonrenewal of their current contracts.*

*The committee requested that Staff provide additional information prior to recommending for authorization at the April 13<sup>th</sup> board meeting.*

### **Manhattan College**

Manhattan College (the "College") is an independent Catholic coeducational college located in the Bronx. The College is seeking \$103,000,000 in tax-exempt bonds (the "Bonds"), proceeds of which, together with other funds of the College, will be used by the College: (i) for the construction, furnishing, and equipping of a new Engineering and Science Innovation Center, an approximately 30,000 square foot building to be constructed to the south of, and attached to, Leo Hall, and located at 3825 Corlear Avenue, Bronx, New York 10463 (the "Campus"), which will contain laboratories, classrooms, a computer lab and a student commons; (ii) for the renovation of the westward façade of Leo Hall, an approximately 161,880 square foot existing academic building located at the Campus; (iii) to refund all or a portion of several tranches of existing debt (each as further described in Annex I on page 10); (iv) for the construction, renovation and equipping of various capital projects at Leo Hall, located at the Campus, and/or the Research and Learning Center, located at the Campus, (v) for the financing of prepayment premiums, and (vi) for the payment of costs of issuance of the Bonds ((i) through (vi), collectively, the "Project"). All of the facilities to be financed or refinanced with the Bonds are owned and operated by the College. Based on a review of the Project, Corporation staff has concluded that the Project is likely to be completed within two years of the closing date.

*Ms. Feirstein asked for the cost of the Engineering and Science Innovation Center.*

*Staff responded that the cost is approximately \$69,000,000.*

*Ms. Feirstein asked for the cost of refinancing.*

*Staff responded that the refinancing is approximately \$73,000,000.*

*Mr. Dinerstein asked if the transaction will refinance all of the College's debt.*

*Staff responded that they would follow up with additional information.*

*Mr. Dinerstein asked what was currently at the site of the future Engineering and Science Center.*

*Staff responded that they would follow up with additional information.*

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**Additional information on Friends of Seamen's Society and Manhattan College**

The following information was provided to the committee members on April 11th 2017 from which point no further concerns were raised:

The Institution has four contracts with City and State agencies which run through 2020.

All of the College's existing debt is being refinanced through this transaction.

The College's Engineering and Science Center will be a 30,000 square foot newly constructed building on a currently vacant lot. This new building will be attached to an existing building; the existing building will have a new façade funded through this project.