

**BUFFALO FISCAL STABILITY AUTHORITY**  
**RESOLUTION NO. 11-40**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY BUFFALO MUNICIPAL HOUSING AUTHORITY OF SENIOR HOUSING REVENUE BONDS (WALDEN PARK SENIOR APARTMENTS), SERIES 2011-A AND SENIOR HOUSING REVENUE BONDS (WALDEN PARK SENIOR APARTMENTS), SERIES 2011-B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,300,000 AND THE LOAN OF REPLACEMENT HOUSING FACTOR FUNDS IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$5,130,000**

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WHEREAS, the Buffalo Municipal Housing Authority (“BMHA”) was established pursuant to Article III of the New York Public Housing Law (the “Enabling Act”), which Enabling Act grants and defines the powers and purposes of municipal housing authorities in the State of New York (the “State”), and Chapter 4 of the 1934 Laws of the State of New York, Act of the City of Buffalo Common Council dated March 20, 1934 approved by the Mayor of the City of Buffalo on October 19, 1934, Chapter 312 of the 1935 Laws of New York, and Chapter 913 of the 1957 Laws of New York, as amended, constituting Section 404 of the New York Public Housing Law (collectively with the Enabling Act, the “Act”); and

WHEREAS, the BMHA is authorized and empowered by the Act to promote the clearance, replanning, reconstruction and rehabilitation of substandard and insanitary areas and the providing of adequate, safe and sanitary affordable housing accommodations in these areas and elsewhere for persons and families of low income; and

WHEREAS, to accomplish its stated purposes, the BMHA is authorized and empowered under the New York Public Housing Law to issue its authority bonds to finance the cost of the acquisition and renovation of dwelling accommodations for persons of low income; and

WHEREAS, the BMHA was created for the benefit of the City of Buffalo, New York (the “City”); and

WHEREAS, §3858 of Chapter 122 of the Laws of 2003 (“Chapter 122”), as amended, requires that the Buffalo Fiscal Stability Authority (“BFSA” or the “Authority”) “shall, with respect to any proposed borrowing by or on behalf of the city or any covered organization on or after July first, two thousand three, review the terms of and comment, within thirty days after notification by the city or covered organization of a proposed borrowing, on the prudence of each proposed issuance of bonds or notes to be issued by the city or covered organization...”; and

WHEREAS, Chapter 122, as amended, further provides that “...no such borrowing shall be made unless first reviewed, commented upon and approved by the Authority”; and

WHEREAS, Chapter 122, as amended, permits BFSA to review and approve or disapprove contracts or other obligations of the City or any covered organization; and

WHEREAS, to accomplish the provision and preservation of a significant number of safe, sanitary and affordable dwelling units for low income senior citizens in the City, Walden Park Senior Housing II LLC (the “Company”) has made application to the BMHA requesting that the BMHA undertake a project to provide dwelling accommodations for persons of low income (the “Program”) consisting of the following: (A) the acquisition by the Authority of a leasehold interest in an approximately 6.09 acre parcel of land located at 101 Bakos Blvd., Buffalo, New York (the “Land”), together with certain

residential buildings and related improvements on the Land (collectively, the “Facility”) to be renovated by the Company for use as 126 one and two bedroom apartments for low income seniors, and the acquisition of certain equipment and other personal property related thereto (the “Equipment”) (the Land, the Facility, and the Equipment hereinafter collectively referred to as the “Program Facility”); (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable revenue bonds of the Authority in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Program, together with necessary incidental costs in connection therewith, presently estimated to be \$4,900,000 and in any event not to exceed \$5,300,000 (the “Obligations”); (C) the granting of certain other financial assistance with respect to the foregoing, including potential exemptions from real estate transfer taxes, sales taxes and mortgage recording taxes; and (D) the sublease of the foregoing to the Company or such other person as may be designated by the Company and agreed upon by the Authority; and

WHEREAS, to provide additional financing for the Program, the Company has arranged for a loan in the principal amount of up to \$5,130,000 from the Authority’s affiliate, Bridges Development Inc. (the “Bridges Loan”), to be funded with United States Department of Housing and Urban Development Replacement Housing Factor Funds; and ,

WHEREAS, for the purpose of funding a portion of the costs of the Program, the BMHA has requested BFSA approval to issue tax-exempt revenue bonds, Series 2011-A and Series 2011-B in an aggregate principal amount not to exceed \$5,300,000; and

WHEREAS, such bonds represent limited obligations of the BMHA payable solely from, among other things, revenues of the Facility and neither the BMHA nor its members or officers are personally liable with respect to the Bonds; and

WHEREAS, such Bonds do not constitute and shall not be debt of the City of Buffalo nor shall the City of Buffalo be liable thereon; and

WHEREAS, the Bonds do not give rise to a pecuniary liability or charge against the general credit or taxing powers of the City of Buffalo; and

WHEREAS, for the purpose of funding a portion of the costs of the Program, the BMHA has requested BFSA approval to enter into the Bridges Loan; and

WHEREAS, the BFSA has reviewed the proposed issuance of the Bonds by the BMHA and the making of the Bridges loan by the BMHA as hereinbefore set forth and has found the transaction to be financially sound and in the public interest.

NOW, THEREFORE, BE IT RESOLVED that the BFSA hereby approves the BMHA to issue the Bonds in a principal amount sufficient to pay the costs of undertaking the Program, together with certain related costs and amounts, which costs are presently estimated to aggregate approximately \$4,900,000 and in any event shall not exceed \$5,300,000; and further

BE IT RESOLVED that the BFSA hereby approves the BMHA to make, through its affiliate, Bridges Development Inc., the Bridges Loan to the Company in a principal amount not to exceed \$5,300,000; and further

RESOLVED that the BFSA authorizes the BMHA and/or its affiliate Bridges Development Inc., to enter into necessary and appropriate contracts and documents in connection with the aforementioned transactions.

This Resolution shall take effect immediately.

Approved December 7, 2011

/S/ George K. Arthur

George K. Arthur,  
Secretary