



The State University
of New York

Office of the Chancellor

H. Carl McCall SUNY Building
353 Broadway, Albany, New York 12246

SUNY Global Center, 116 E 55th St,
New York, NY 10022

www.suny.edu

MEMORANDUM

September 16, 2025

TO: Members of the Board of Trustees

FROM: Dr. John B. King Jr., Chancellor

SUBJECT: Tax Exempt Leasing Program (TELP) – Upstate Medical University Hospital

Action Requested

The proposed resolution would authorize a Tax-Exempt Leasing Program (TELP) transaction in an amount not to exceed \$35,400,000 to finance equipment for Upstate Medical University Hospital.

Resolution

I recommend that the Board of Trustees adopt the following resolution:

Whereas pursuant to Section 7415-b of the Unconsolidated Laws of New York, the State University of New York has the statutory authority to participate in the Dormitory Authority of the State of New York's Tax-Exempt Leasing Program ("Program") for hospitals and residential health care facilities; and

Whereas Upstate Medical University Hospital ("Hospital") desires to participate in the program to finance certain equipment; and

Whereas it is operationally viable to finance the cost of the Hospital's equipment acquisition and installation through the program; now, therefore, be it

Resolved that the form and content of the proposed Master Lease and Sublease Agreement ("Agreement") by and between the State University and the Dormitory Authority of the State of New York, be, and hereby is, approved; and, be it further

Resolved that the Chancellor, or designee, be, and hereby is, authorized to execute and deliver one or more said Agreements in the name and on behalf of the State University of New York, for and on behalf of Upstate Medical University Hospital, with such changes and additions, not materially altering said Agreement, as may be found appropriate to effectuate the purposes thereof, and to provide all certifications, assurances, or other documents, and to take any and all steps necessary and appropriate to enable the State University to participate in the Program for the acquisition and installation of the Hospital's equipment in an amount not to exceed \$35,400,000.

Background

This resolution authorizes the State University to participate in the Tax-Exempt Leasing Program of the Dormitory Authority of the State of New York ("DASNY") to finance new equipment for Upstate Medical University Hospital. The equipment will include:

- Equipment upgrades supporting the latest medical advancements, such as upgrading its linear accelerator to enhance its capabilities including improving treatment precision, speed, and the range of cancer treatments it can deliver.
- New Roche Chemistry analyzers and Roche Automation at all existing laboratory sites, which will improve throughput times by allowing sophisticated automation hook-up with an expanded chemistry menu capacity.
- New Positron Emission Tomography (PET) scan and a Computed Tomography (CT) machines for Upstate's recently opened Verona Cancer Center.
- Updates and upgrades to fire alarm appliances and smoke dampers to ensure proper compliance and enhance patient safety.
- Other general equipment necessary for providing patient care.

These items, when combined with associated fees and closing costs, equal \$35,400,000 and support Upstate Medical University Hospital's strategic initiatives in many ways. The Hospital is committed to the continuous improvement of patient quality care and safety. Many of the equipment upgrades on this transaction will support this initiative by offering the latest medical advancements in the field.

It is estimated that Upstate Medical University Hospital's payments to DASNY under this loan program will be approximately \$7.9 million per year. The cost of the lease will be paid out of Hospital revenues from its annual operating budget. Hospital TELP payments on existing TELP transactions will decline by approximately \$11 million annually beginning in FY year 2027, which will offset payments for this proposed TELP transaction.

DASNY plans to close this transaction in Spring 2026.

The Master Lease and Sublease Agreement by and between the State University and the Dormitory Authority of the State of New York is on file with the Office of the Secretary of the University.