

A Video Conference Meeting of the Dormitory Authority of the State of New York (“DASNY”) among DASNY’s Offices in New York City, 28 Liberty Plaza, New York, New York, 515 Broadway, Albany, New York and 6047 Transit Road, Suite 103, Buffalo, New York was held on Wednesday, July 17, 2024, with proceedings commencing at 9:43 a.m.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Lisa Gomez, Board Chair at 9:43 a.m. The following Board Members and Senior DASNY Staff were present:

Board Members Present – NYCO

Lisa Gomez, Board Chair
Gerard Ronski, Esq. – Vice Chair
Beryl L. Snyder, Esq., Secretary
Wellington Chen – Board Member (*Arrived 10:00 a.m.*)

Board Members Present – Albany

Kent Syverud – Board Member
Ken Evans, Designated Representative of the Commissioner of Health, Board Member (*ex officio*)
Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Board Members Present – Buffalo

Janice McKinnie – Board Member

Board Members Via Zoom and Phone

Joan M. Sullivan – Board Member – *Via Zoom*
Alfonso L. Carney, Jr. – Board Member - **Via Phone (*Non-voting this meeting)*

Board Members Absent

Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)

Bond Counsel--via Zoom

Neil Kaplan, Hawkins Delafield & Wood LLP
Patrick McGlashan, McGlashan Law Firm, P.C.

Senior Staff Members Present

Robert J. Rodriguez, President & CEO

Charlie Williams, Vice President
Stephen Curro, Managing Director, Construction
Kimberly Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance & Portfolio Monitoring
Sara Potter Richards, Managing Director, Executive Direction
Matthew Bergin, Director, Public Finance
David Ostrander, Assistant Director, Public Finance
Alex Sirdine, Senior Financial Analyst, Public Finance

Other Dormitory Authority Staff were present in person at the DASNY offices and via Zoom. Several members of the public also joined via Zoom.

PUBLIC SESSION

Chair Gomez welcomed the Members and Staff to the Meeting.

President Rodriguez introduced Juan Reyes-Alvarez, Financial Analyst, to the Board. He stated that Mr. Reyes-Alvarez previously worked as a Financial Analyst for NBT Bank. The President then introduced Justin Gong and Mujtabaa Habibulla, the two Public Finance Fellows, to the Members. He stated that both are graduates of Baruch College. The President further stated that DASNY has restarted the diversity fellowship program this year, following a pause due to the COVID pandemic. The President explained that the program runs for one year, with the Fellows working 6 months at DASNY and then 6 months at an Investment Banking Partner starting in January. He informed the Members that Mr. Gong will join JP Morgan, and Mr. Habibulla will then join Ramirez & Company. The Members welcomed Mr. Reyes-Alvarez, Mr. Gong, and Mr. Habibulla to DASNY.

Minutes of the June 18, 2024 Board Meeting

Upon a motion from Mr. Ronski and a second from Ms. Snyder, the minutes of the June 18, 2024 Regular Board Meeting were approved unanimously.

EXECUTIVE SESSION

Mr. Ronski moved that the Members go into executive session to discuss the financial and credit history of a particular corporation, matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal, or removal of a particular person or corporation and proposed, pending or current litigation.

Ms. Snyder seconded the motion and the Members went into Executive Session.

PUBLIC SESSION

Chair Gomez noted that while in Executive Session, no decisions were made other than that to return to the Public Session. She also reported that Board Member, Wellington Chen has joined in person at the New York City office.

Governance Committee Report

Governance Committee Chair Beryl Snyder informed the Members that the Governance Committee met this morning. She stated that after adopting the meeting minutes from the April 9, 2024 Governance Committee Meeting, the Committee Members discussed a proposed Resolution authorizing raises for Staff Officers and Executive Staff consistent with Budget Bulletin D-1152. Ms. Snyder stated that the Governance Committee unanimously recommends approval of this Resolution by the full Board.

Mr. Ronski moved the adoption of the following Resolution:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (“DASNYS”) AUTHORIZING THE IMPLEMENTATION OF SALARY ACTIONS FOR STAFF OFFICERS AND EXECUTIVE STAFF CLASSIFIED AT THE STAFF OFFICER LEVEL

Ms. Sullivan seconded the motion and the Resolutions were unanimously approved.

Finance Committee Report

Finance Committee Chair Gerard Ronski informed the Members that the Finance Committee met earlier today. He reported that after adopting the meeting minutes from the June 18, 2024 meeting, the Committee Members discussed an additional project to be funded through the NYU Commercial Paper Program that was adopted in February 2024. He explained that NYU wishes to purchase an existing residence hall the University is currently leasing and, after discussion, the Finance Committee recommends full Board approval of the additional project.

NYU Commercial Paper Program – Adoption of Documents

Chair Gomez introduced Dave Ostrander, Assistant Director, Public Finance, Neil Kaplan, Hawkins Delafield & Wood LLP, and Patrick McGlashan, McGlashan Law Firm, P.C., co-bond counsel, to present the transaction.

Mr. Ostrander stated that the Members are being asked to approve an additional project to be funded under the New York University Commercial Paper Program that was approved by the Board at the February meeting. He further stated that the project consists of the acquisition of an existing 45,000-square-foot, 13-story student residence building located at 200 East 6th Street. Mr. Ostrander informed the Members that the SEQR review for this additional project was completed on July 16, 2024. He noted that there are no other changes to the Commercial Paper program approved by the Board in February.

Mr. McGlashan further described the transaction and presented the financing documents. He stated that before the Members for their consideration is the adoption of the First Supplemental Resolution to the General Resolution, which established a Commercial Paper Program for the

benefit of New York University, to Finance or Refinance Capital Projects for the University or to Refinance or otherwise pay Outstanding Notes issued under the Program. He further stated that the Program authorizes the issuance of one or more series of notes from time to time, provided that the aggregate principal amount of notes that may be outstanding at any one time does not exceed \$250 million and the Final Maturity of all notes issued under the General Resolution is not later than the thirtieth Anniversary of the date that notes were first issued under the General Resolution.

Mr. McGlashan stated that the Notes were first issued on May 2, 2024 and the first supplemental resolution does not alter either the maximum amount or the final maturity of the notes. He noted that the First Supplemental Resolution would authorize an amendment to the Loan Agreement between DASNY and the University to include an additional project that may be financed with proceeds of the Notes. He further stated that the additional project consists of the acquisition of real property on East 6th Street in Manhattan, which is currently leased by the University and used as a Dormitory.

Ms. Snyder moved the adoption of the following Resolution:

FIRST SUPPLEMENTAL RESOLUTION SUPPLEMENTING THE NEW YORK UNIVERSITY COMMERCIAL PAPER NOTE RESOLUTION TO PROVIDE FOR THE FINANCING AND REFINANCING OF AN ADDITIONAL CAPITAL PROJECT

Mr. Ronski seconded the motion and the Resolution was unanimously approved.

Report of the President

President Rodriguez stated that together with Portia Lee, he has met with most of the Banks on DASNY's Investment Banking panel. He reported that the Banks have provided positive feedback on the changes the Board has authorized for the Financing Guidelines. The President stated that the changes have resulted in additional flexibility for DASNY in terms of current and future clients. He thanked the Board Members for their commitment to making DASNY financing available to additional clients and stated that these efforts are recognized by the investment banking community as well as DASNY's prospective client base.

President Rodriguez reported that work on the DOH Public Health Laboratory is moving forward with soil borings and other pre-construction work. He stated that the schematic design component is expected to wrap up at the end of the year, and then move into bidding the construction components in 2025.

President Rodriguez updated the Members on various employee engagement activities. He reported that a long time DASNY employee and historian led a walking tour of downtown Albany. The President stated that after today's Board meeting, there will be a lunch and learn with DASNY's Office of Environmental Affairs, who play a major role in all of DASNY's construction projects, financings, and grants. The group will be discussing their responsibilities while focusing on a project undertaken at the Staten Island Courthouse project in 2015, on the site of a former quarantine hospital for immigrants. He informed the members that throughout the process, DASNY honored the memory of those who died at the hospital. The President invited the Members to stay for the presentation and enjoy the Irish food that will be served in recognition of those deceased immigrants. He noted that a site visit is being arranged for October in honor of

National Immigrants Day and that more details will be provided once known. In response to a question from Mr. Carney, Ms. Richards stated that approximately 90 employees are expected to attend today's lunch and learn.

President Rodriguez reported that the \$1.2 billion Sales Tax Revenue Bond transaction has been sold on a competitive basis. He stated that it was a very successful transaction and the State was able to borrow at the strong interest rate of 4.19%. The President noted that bids were received from multiple investment banking partners, and that Bank of America, JP Morgan and Morgan Stanley won the respective tranches.

President Rodriguez stated that Governor Hochul announced awards under two DASNY-administered grant programs: the Nonprofit Infrastructure Capital and Investment Program (NICIP), and the Veterans Nonprofit Capital Program. He thanked DASNY's Grants Administration unit for their efforts on these programs, which included reviewing a large volume of documentation in order to score the applications. The President stated that the Grants staff will continue to work with the Grantees so they can access the funds needed to provide services to New Yorkers. In addition, Grants staff recently completed the scoring of another round of HECAP grants for private colleges and universities and that over \$38 million was recently awarded to 33 Colleges and Universities for a variety of capital projects including construction, renovation and equipping of laboratory and research spaces, the purchase of new instructional technologies and equipment, and other important projects.

President Rodriguez advised the Members that DASNY is also working with the Office of Children and Family Services on a capital grant program to increase childcare slots across the State. He stated that the Grant programs administered by DASNY highlight the breadth and scope of the important work that DASNY undertakes. The President further stated that the NICIP, HECAP, NY SWIMS, and Childcare programs are competitive programs, and that DASNY continues to administer discretionary grants awarded by the Executive and the Legislature.

President Rodriguez stated that the Grants Unit is currently busy with the NY SWIMS competitive grant program, which will increase swimming opportunities in New York State, as Governor Hochul announced in her State of the State address. He explained that DASNY is working with The New York State Office of Parks, Recreation and Historic Preservation to administer the program, and that the application deadline for Round One was Friday, July 12, 2024. He reported that 59 applications totaling \$195 million were received from municipalities across the State. President Rodriguez informed the Members that scoring will be completed by August 12, 2024 and the awards are expected to be announced the last week of August. He noted that the funds are available to disadvantaged communities.

Public Finance Report

Ms. Lee delivered the Public Finance Report. She provided additional details regarding the \$1.2 billion Sales Tax Revenue Bond Transaction. Ms. Lee explained that it was determined to market the bonds in three tranches of approximately \$400 million each in order to attract additional bidders. Ms. Lee informed the Members that there was a good response to the sale: 9 bidders for

the first tranche, and 8 bidders for each of the second and the third tranches. She stated that Morgan Stanley, JP Morgan and Bank of America were the successful bidders.

Ms. Lee reported that the total year-to-date new issuance volume is approximately \$267.8 billion, up approximately 27.4% from last year. She stated that the supply for this week is fairly heavy at \$11.1 billion dollars, including the Pace University deal which is in the market today. Ms. Lee further stated that supply has been heavy in recent weeks and is expected to remain so prior to the election in November. Ms. Lee reported that municipal bond funds saw inflows last week as well as the prior week. She informed the Members that tax-exempt bond yields were lower by 2 basis points across the curve on Tuesday with the 10-year and 30-year AAA MMD closing at 2.78% and 3.66% respectively. Ms. Lee stated that U.S. Government bond yields were lower, as the 10-year Treasury yield decreased by 6 basis points to 4.17% and the 30-year decreased by 8 basis points to 4.38%. Ms. Lee further stated that since the June 18 Board meeting, the one-year MMD rate has decreased 19 basis points; the 10-year MMD has decreased by 1 basis point; and the 30-year MMD has decreased by 3 basis points. During that same time period, the 10-year Treasury yield decreased by 11 basis points and the 30-year Treasury yield decreased by 2 basis points.

Ms. Lee directed the Members' attention to the Memorandum and related materials included in the Board Book regarding DASNY's Board Financing Authorization Policy. She explained that this information is being provided for discussion purposes at this time, and incorporates points raised by the Members at the February 2024 Board Meeting regarding changes to the Single Approval process. Ms. Lee further explained that at the present time, certain financings are eligible to be approved in a single approval process, such as PIT and Sales Tax deals; bonds issued on behalf of School Districts through the School District Pooled program; refundings of DASNY and non-DASNY debt for borrowers that are currently in DASNY's portfolio; and higher education and healthcare borrowers rated in the "A" category. The process for other borrowers consists of a two-step process of a Resolution to Proceed and then a Resolution approving the financing documents.

Ms. Lee explained that DASNY has considered whether additional borrowers should be eligible for the single approval process, and it is now recommending that the Members consider including higher education and healthcare borrowers that are currently in DASNY's portfolio and rated in the "BBB" category, as well as borrowers currently in DASNY's portfolio where the credit is programmatic in nature, such as BOCES, Libraries, NYSARC and IAC. She noted that these borrowers receive State assistance or have taxpayer approval with those revenues utilized to pay debt service on the bonds. Ms. Lee stated that the third category of borrowers that could be eligible for a single approval process are those financing through a private placement. Ms. Lee explained that in private placement transactions, the investors purchasing those bonds are qualified institutional buyers (QIBs). She noted that QIBs are sophisticated investors who understand the investment risks and make investment decisions on their own.

Ms. Lee stated that these changes are important to enable DASNY to remain competitive in the market. She further stated that bankers have indicated that the changes that DASNY has made to date have been very helpful, and have suggested that the universe of clients eligible for single step DASNY approval be expanded. Ms. Lee noted that a two-step process is unusual in the market and sometimes causes potential borrowers to believe that the timeframe is too long. She further noted that at times, borrowers who are eligible for a single step approval will choose to go through a two-step process, because in some situations it may ultimately be quicker than a single approval. She explained that Public Authorities Control Board (PACB) approval can be obtained after the

first step of a two step process. Therefore, depending upon the meeting schedules, it may be advantageous to obtain a Resolution to Proceed, then obtain PACB approval, and then return to DASNY for the second approval. She noted that Staff may recommend a two step process in certain circumstances.

In response to a question from Mr. Ronski, Ms. Lee explained that should single step approval be extended to private placement transactions, the tax diligence would be completed prior to the release of the placement memorandum or when there is no placement memorandum, tax diligence would be completed prior to pricing. She further explained that for non-private placement transactions, the diligence is completed prior to mailing the Preliminary Official Statement. Since not all private placement transactions have a placement memorandum, the Guidelines are intended to clarify when the tax diligence would be completed for private placements. Ms. Lee noted that the same concept is applicable to the TEFRA hearing. To the extent a placement memorandum is utilized in a private placement transaction, the TEFRA hearing would occur prior to release of the placement memorandum. Otherwise, the TEFRA hearing must be complete prior to pricing.

Chair Gomez stated that based upon her experience, including the private placement transactions in the single approval category is consistent with market practice. Mr. Ronski and Ms. Snyder agreed that this could make DASNY more competitive, and more consistent with other borrowers. Ms. Snyder inquired whether these changes would have impacted any transactions over the past year. Ms. Lee stated that she would review and report back. She further stated that the types of borrowers that would be added to single approval eligibility are those that the Board has historically been comfortable with. Chair Gomez expressed her confidence that if the revisions are approved, DASNY Staff will identify situations where a single step approval is not appropriate. Therefore, the Chair indicated her support for the changes. She noted that flexibility in terms of timing is especially critical during times of market uncertainty. Therefore, being able to get into the market up to a month earlier is an important factor to consider. Ms. Sullivan agreed that the additions make sense. She stated that she too is confident that DASNY Staff will analyze the issues involved and make appropriate decisions about whether a one step is appropriate.

President Rodriguez thanked the Members for the robust discussion and agreed that minimizing the time to market is an important consideration. He encouraged the Members to raise any concerns that they have about a particular borrower or program to the other Board Members and to DASNY Staff.

Chair Gomez thanked the Board Members for the robust discussion and indicated that the Board would be pleased to formally consider the changes in the fall.

Financial Report

Ms. Ellis delivered the Financial Report. She directed the Members' attention to the Board materials and stated that personnel expenses are consistent with projections, while non-personnel expenses are slightly under projection as of May 31. Ms. Ellis reported that three private client deals have closed, generating \$400,000 in revenue. She informed the Members that the percentage of direct hours charged to public client programs is slightly up at 96.1% against a budget of 94.7%.

Ms. Ellis updated the Members on the implementation of Dynamics 365. She reported that for budget related activities for Business Release 1 (BR1) workflow notifications for budgeting and GL entries have been configured and tested, final e-mail notification language is being developed, purchase requisitions for operating purchase orders have been configured, testing has commenced, and testing for budget planning is 95% complete. Ms. Ellis further reported that other ongoing work associated with bank-to-bank transfers and bank reconciliations are currently in testing for Bank of America and Bank New York Mellon; security setup and planning documentation has been submitted to HSO for configuration; user role testing has commenced in the test environment; IS has performed two version upgrades; and the initial connection with PMWeb has been completed. Ms. Ellis stated that DASNY is meeting with the integration vendor this week to fully spec out the integrations between the two systems and our IS team continues work on the development of a vendor collaboration portal which will include the ability to collect W-9 forms from vendors electronically. She reported that HSO has not identified anything that will impact the project schedule.

Construction Report

Mr. Curro delivered the Construction Division Report. He reported that DASNY added 5 new projects totaling over \$56 million during the reporting period: 4 projects for CUNY and 1 for OPWDD. Mr. Curro informed the Members that year-to-date construction expenditures were \$150 million for May 2024, a net gain of \$41.6 million from the same period in May 2023.

Mr. Curro stated that the project depicted on the cover of the Construction Projects Report is the \$23 million SUNY Alfred - MacKenzie Hall Phase 3 rehabilitation project. He further stated that the project consisted of the rehabilitation of three towers, two rowhouses, and the full demolition of one rowhouse to facilitate the creation of an accessible roadway.

Mr. Curro reported that the General Contractor for the FIT project has revised the substantial completion date to September 2024. He stated that commissioning and finish work is underway, and he continues to attend weekly project meetings. Mr. Curro informed the Members that the Colonial Quad project at UAlbany received a TCO. Both low-rise residence halls and the fitness center will be ready for occupancy in August 2024.

Mr. Curro further reported that the \$49 million SUNY New Paltz – Mohonk Hall project, which consists of a gut renovation and the addition of the 4th floor and new roofing system, is proceeding according to schedule. He stated that abatement work is nearly complete, the 4th floor structural steel has been installed, the lateral load resisting system is in progress, floor framing has commenced, and a substantial completion date is targeted for July 2025. Mr. Curro reported that the SUNY 2024 summer project workload consists of 25 projects with a value of nearly \$50 million. He stated that DASNY is monitoring the work closely in order to meet an August deadline.

Regarding the CUNY program, Mr. Curro informed the Members that the next meeting with facility staff is scheduled for July 25, 2024. He stated that heavy workloads continue at Queens College, Hunter College, Lehman College, York College, College of Staten Island, NYC College of Technology, and City College.

Mr. Curro provided an update on the OPWDD/OMH program. He stated that there are many projects underway at St. Lawrence PC, Mid-Hudson Forensic PC, Capital District PC, Rochester PC, Central NY PC, Rockland PC, South Beach PC, Kingsborough PC, Pilgrim PC and Mohawk Valley PC. The main construction package for the Mid-Hudson PC is valued at \$300 million. He stated that the package was advertised, and bids will be opened on July 25. Mr. Curro further stated that 5 general contractors have expressed interest in the project, which is encouraging from a competition standpoint. He informed the Members that the WNY Children's PC project has experienced a delay due to the discovery that the roof framing materials in the new addition were not sized appropriately.

Mr. Curro reported that the DOH Life Sciences Lab Consolidation project is moving along well. He stated that DASNY's Construction team met with the Capital District BCTC on Monday, July 15 to discuss the Project Labor Agreement. He further stated that a PLA for the Rochester PC is expected to be ready for the August Board meeting. In addition to the DOH PLA, there are 2 other PLA's in the Binghamton-Oswego region under discussion with the local BCTC there.

Mr. Curro reported that there are currently over 45 open positions in the Construction Division. He informed the Members that the Construction Divisions summer interns are fully engaged at project sites and in the Albany and New York City offices. Mr. Curro stated he is optimistic that some of the interns will accept full-time positions with DASNY.

Mr. Curro stated that there are currently over 1,200 projects being managed from the PMWeb system, and that the migration from CM to PMWeb is approximately 80% complete. Migration will continue over the next quarter. Mr. Curro informed the Members that he, Eric McQuide, Joanna Yackel, Kristen Costello and Jeanine Tefft represented DASNY at the July 16 - 18 NYAPPA/SUNY Summer Conference held in Poughkeepsie.

Chair Gomez announced that a Special Board Meeting may occur on August 21, 2024, and more information would be provided once the need for a Special Meeting is determined.

Ms. Snyder moved that the meeting adjourn. Upon a second by Mr. Chen, the meeting was adjourned at approximately 11:10 a.m.

Respectfully Submitted,

Sara Richards
Assistant Secretary