

A Conference Call / Video Conference Meeting of the Dormitory Authority of the State of New York (“DASNY”) was held via conference call and video conference on Wednesday, March 2, 2022 at 9:30 a.m. with Members participating via Zoom.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Alfonso Carney, Board Chair at 9:30 a.m. and a quorum was declared present.

Sara Richards, Assistant Secretary, called the roll.

The following Board Members and Staff were present:

Board Members Present – Via Zoom

Alfonso L. Carney, Jr. – Chair
John B. Johnson—Vice-Chair
Beryl L. Snyder, Esq. – Secretary
Gerard Ronski, Esq. – Board Member
Jonathan Gardner, Esq. – Board Member
Joan M. Sullivan – Board Member
Janice McKinnie – Board Member
Phyllis Morris---Designated Representative of the Commissioner of Education, Board Member (*ex officio*) – Board Member
Adrian Swierczewski--Designated Representative of the Director of the Budget, Board Member (*ex officio*)

Board Members Absent

Wellington Chen—Board Member
Ken Evans, Designated Representative of the Commissioner of Health, Board Member (*ex officio*)

Staff Members Present - via Zoom

Reuben R. McDaniel, III, President and Chief Executive Officer
Paul G. Koopman, Vice President
Kimberly A. Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Stephen Curro, Managing Director, Construction
Ricardo Salaman, Esq., Deputy General Counsel
Sara Potter Richards, Esq., Managing Senior Director, Governance and Administration
Kathy Ebert, Senior Director, Internal Audit
Matthew T. Bergin, Director, Public Finance
Craig Schreivogl, Director, Portfolio Monitoring
David Ostrander, Assistant Director, Public Finance

Dena Amodio, Esq., Assistant General Counsel
Deborah Fasser, Director, Strategic Communications and Business Development
Jeffrey Gordon, Senior Director, Communications & Marketing
Alex Sirdine, Financial Analyst
Amanda Nazario, Confidential Legal Assistant
Nancy DePaulo, Confidential Legal Assistant

Bond Counsel – via Zoom

Alethia Nancoo, Esq., Squire, Patton & Boggs, LLP
Natalia Pearson-Farrer, Esq., Golden Holley James LLP
Virginia Wong, Esq., Nixon Peabody, LLP
Melissa Bennett, Esq., Barclay Damon, LLP
Robert Drillings, Esq., Burgher Gray, LLP
Sani Williams, Esq., Bryant Rabbino, LLP
Charles Holley, Esq., Golden, Holley, James, LLP
Chris Reitzel, Esq., Nixon Peabody, LLP
Seth Bryant, Esq., Bryant Rabbino, LLP

APPROVAL OF FEBRUARY 2, 2022 BOARD MEETING MINUTES

Upon a motion by Ms. Sullivan and a second by Ms. McKinnie, the Minutes of the DASNY February 2, 2022 Board Meeting were approved unanimously.

FINANCE COMMITTEE REPORT

Mr. Ronski reported that after approving the Finance Committee Meeting Minutes from the February 2, 2022 Meeting, the Finance Committee voted to recommend the School District Revenue Bond Financing and the Rockefeller University transactions to the full Board for Single Approvals. Mr. Ronski confirmed that the Finance Committee also performed the required annual review of the Finance Committee Charter.

THE NEW SCHOOL – ADOPTION OF DOCUMENTS

President McDaniel introduced David Ostrander of DASNY, Alethia Nancoo, Esq. of Squire, Patton & Boggs LLP and Natalie Pearson-Farrer of Golden Holley James LLP, co-bond counsel on the transaction. Mr. Ostrander provided a brief update. He reminded the Members that the Board adopted a Resolution to Proceed for the transaction in February 2022 and that the plan of finance and security package remains the same. Mr. Ostrander stated that PACB, TEFRA, and SEQRA approvals are complete and that if the Board approves the transaction, the mailing of the POS and pricing is expected to occur next week.

Ms. Pearson-Farrer and Ms. Nancoo further described the transaction and presented the financing documents. Ms. Pearson-Farrer stated that before the Board for consideration is the adoption of two series resolutions authorizing the issuance of up to an aggregate principal amount not to exceed \$186,925,000 on behalf of the New School. She further stated that the proposed Series 2022 bonds would be issued pursuant to DASNY's New School Revenue Bond General Resolution, adopted

in 2016, and one or both of the Series Resolutions for which approval is requested today. She explained that the Series 2022 bonds are expected to be issued for the purpose of providing funds which will be used by the New School to pay the cost of the acquisition, renovation and equipping of a 12 story building located at 318 East 15th street in New York, which the New School has been leasing since 2009 to provide residential living space for the university students; refund all or a portion of DASNY's outstanding New School Revenue Bonds, Series 2011; and pay costs of issuance. She informed the Members that it is currently anticipated that the Series 2022 bonds will be issued as one series of tax exempt, fixed rate bonds and a second series of taxable fixed rate bonds. The bonds will be special obligations of DASNY payable solely from the revenues, which consist of certain payments to be made by the New School under a loan agreement and will be further secured by an assignment by DASNY to the trustee of the pledged revenues, which consist of the security interest and tuition and fees charged to students for academic instruction and other money, income, rents or revenues of the New School given by the New School to DASNY to secure the university's obligations under that loan agreement.

Ms. Nancoo described the provisions of the Loan Agreement to be entered into between DASNY and the New School. She explained that each series of bonds issued under the 2016 general resolution is separately secured from each other series of bonds by the pledge and assignment to the applicable trustee of the applicable revenues and the funds and accounts established pursuant to the applicable series resolution. Ms. Nancoo further explained that the Loan Agreement is a special obligation of the university payable out of any monies of the university legally available to it for such payment.

Ms. Nancoo informed the Members that the Series 2022 bonds will be a special obligation of the authority payable solely from the revenues. She stated that the loan agreement is based on DASNY's new model agreement and will contain the appropriate standard document provisions and may include additional security provisions based on market conditions when the Series 2022 bonds are priced. She further stated that upon the issuance of the Series 2022 bonds, the authority will assign it's rights under the loan agreement to the trustee pursuant to one or more assignment agreements, and subject to certain retained rights. She noted that it is expected that the existing inter-creditor agreement between DASNY and the trustee for the previously issued bonds of the New School will be amended to include the Series 2022 bonds, pursuant to which each series of bonds will be of equal priority to each other with respect to the pledged revenues.

Ms. Snyder moved the adoption of the following entitled Resolutions:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) AUTHORIZING STAFF AND BOND COUNSEL TO PROCEED TO TAKE THE NECESSARY ACTION TO PREPARE THE APPROPRIATE DOCUMENTS TO PROVIDE FOR THE FINANCING OF FACILITIES FOR THE NEW SCHOOL

Ms. McKinnie seconded the motion, and the Resolutions were unanimously adopted.

SCHOOL DISTRICT REVENUE BOND FINANCING PROGRAM--SINGLE APPROVAL

President McDaniel introduced David Ostrander of DASNY, Melissa Bennett of Barclay Damon, LLP and Robert Drillings of Burgher Gray, co-bond counsel on the transaction.

Mr. Ostrander stated that the Board is being asked to adopt the necessary documents to authorize the issuance of up to \$750 million in bonds to be sold through multiple negotiated offerings on behalf of various New York State school districts for the purpose of refinancing Bond Anticipation Notes; finance new money projects on behalf these Districts; or refund bonds issued by DASNY through the School Districts Program.

Mr. Ostrander explained that staff is requesting authorization to meet current demand from school districts for a new money and BAN refinancing pool closing in June, as well as to accommodate additional demand that could occur later in the year. It is currently anticipated that in addition to the new money pool, there will be a refunding pool later this year to provide interest rate savings for districts with bonds that are callable during 2022.

Mr. Ostrander informed the Members that School District participation in the DASNY pool is rate driven. When school districts issue bonds, they can receive building aid reimbursement from the State in one of two ways: School Districts can issue their own general obligation bonds, in which case they receive building aid based on the statewide average interest rate from the previous year; or School districts can issue through DASNY, in which case they receive building aid based on their actual cost of borrowing. He noted that generally, in a declining rate environment, districts tend to issue on their own, whereas in a rising interest rate environment, they tend to issue through DASNY. Mr. Ostrander reported that over the last five years, DASNY pools have ranged from \$300 million to \$585 million. He noted that based upon feedback from Financial Advisors for the School Districts, it is anticipated that this year's pool will be on the higher end of that range.

Ms. Bennett and Mr. Drillings further described the transaction and presented the financing documents. Ms. Bennett stated that before the Members for their consideration is the adoption of a 2022 supplemental resolution pursuant to the Amended and Restated Master Resolution authorizing up to \$750 million of Bonds as and when needed to satisfy the needs of the participating School Districts, and authorizes customary documents for a negotiated public offering of the bonds. She explained that the bond proceeds will be used to finance school construction projects that are eligible for building aid and approved by the Commissioner of Education.

Ms. Bennett stated that the Master Resolution provides for the issuance from time to time of multiple series of Bonds in an unlimited principal amount. Since 2004, multiple series and supplemental resolutions have been adopted. Each Series issued under the Master Resolution are "special obligations" of DASNY payable solely out of the Revenues, which consist generally of the payments to be made by the School Districts on their bonds issued to DASNY and payments to be made by the State Comptroller to DASNY out of State funds otherwise payable to a particular School District if it has not made a payment on its bonds issued to DASNY. Ms. Bennett stated that each Series of Bonds issued under the Master Resolution is secured separately from all other series. She noted that while credit enhancement is not required, municipal bond insurance historically has been cost effective for certain Bonds and may be utilized if appropriate.

Mr. Drillings stated that, as with prior series of School Districts Revenue Bonds issued to finance or refinance Projects for School Districts, each School District will enter into a Financing

Agreement with DASNY with the approval of the Commissioner of Education. Under the Financing Agreements, the School Districts are obligated to make payments to DASNY in an amount sufficient to cover principal and interest on the applicable Series of Bonds when due, regardless of whether the School Districts receive State aid payments.

Mr. Drillings explained that each School District will issue its bonds to DASNY backed by the full faith and credit pledge of the School District which requires the School District to levy taxes in amounts sufficient to enable the School District to pay the School District bonds securing its obligations under the Financing Agreement. He stated that the School Districts' obligations to make the payments due under the Financing Agreements, and other amounts due to DASNY under the Financing Agreements, will be supported by the statutory intercept mechanism of the Program. He noted that neither the DASNY Bonds nor the School Districts' obligations under the Financing Agreements are secured by a lien on any facilities of the School Districts or any other property and may not be accelerated as a remedy for default.

Mr. Drillings informed the Members that the Projects to be financed or refinanced with the proceeds of the School Districts Revenue Bonds will be identified in each Financing Agreement and, prior to the issuance of School Districts Revenue Bonds, will have each been approved by the voters of the School District and the Commissioner of Education.

Ms. McKinnie moved the adoption of the following entitled Resolutions:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SUPPLEMENTAL RESOLUTION 2022-1 AUTHORIZING UP TO \$750,000,000 SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

Mr. Gardner seconded the motion, and the Resolutions were unanimously adopted.

THE ROCKEFELLER UNIVERSITY—SINGLE APPROVAL

President McDaniel introduced David Ostrander of DASNY and Virginia Wong of Nixon Peobody. Mr. Ostrander stated that the Members are being asked to authorize the issuance of two series of tax-exempt and/or taxable, fixed and/or variable rate bonds in an amount not to exceed \$90,000,000 on behalf of The Rockefeller University.

Mr. Ostrander stated that proceeds will be used to refund all or a portion of DASNY's Rockefeller University Revenue Bonds, Series 2012A and 2012B. This will be a current refunding for savings, with both series of bonds callable at par on or after July 1, 2022. Assuming current market conditions, a total net present value savings in the range of \$15.7 million, or 20.2% of the refunded bonds, is expected from the refunding.

Mr. Ostrander informed the Members that the outstanding obligations of the University have been assigned a rating of "Aa1" from Moody's and "AA" from S&P. With these investment grade ratings, Rockefeller meets the requirements under DASNY's financing guidelines for the bonds to be issued as a general unsecured obligation of the University. He noted that the Rockefeller

University is a frequent DASNY borrower, issuing nearly \$1.5 billion in bonds over the last 49 years.

Ms. Wong further described the transaction and presented the financing documents. She stated that before the Members for consideration is the adoption of two Series Resolutions authorizing, individually and in the aggregate, \$90,000,000 of DASNY's Rockefeller University Revenue Bonds, Series 2022. Ms. Wong explained that the Bonds are proposed to be issued under DASNY's Rockefeller University Revenue Bond Resolution adopted in 2001. The proceeds of the Authorized Bonds are expected to be used to refund all or a portion of the University's 2012A and 2012B Bonds. She noted that the Bonds are expected to be issued as tax-exempt, fixed rate Bonds.

Ms. Wong summarized the delegations to the authorized officers of DASNY in connection with the Bonds. She then explained that the Authorized Bonds will be "special obligations" of DASNY payable solely out of the Revenues, which consist of the payments made by the University under the Loan Agreement. She explained that payment of Authorized Bonds is secured by the pledge and assignment made by the General Resolution of the Revenues and the moneys and investments held in the funds and accounts established by the General Resolution and the applicable Series Resolution.

Ms. Wong stated that DASNY and the University previously executed a Loan Agreement in 2001, which was amended and restated in April 2020. The Loan Agreement requires the University to make timely payment of debt service on the Authorized Bonds. She further stated that the University's obligation to make payments under the Loan Agreement is a general unsecured obligation. The University will also enter into an Agreement to Provide Continuing Disclosure to facilitate the Underwriter's securities law obligation.

Ms. McKinnie moved the adoption of the following entitled Resolutions:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK AUTHORIZING THE ISSUANCE OF THE ROCKEDLLER UNIVERSITY REVENUE BONDS SERIES 2022A RESOLUTION; and

DORMITORY AUTHORITY OF THE STATE OF NEW YORK AUTHORIZING THE ISSUANCE OF THE ROCKEDLLER UNIVERSITY REVENUE BONDS SERIES 2022B RESOLUTION

Ms. Snyder seconded the motion, and the Resolutions were unanimously adopted.

CORPORATE GOVERNANCE REPORT

Governance Committee Chair Johnson reported that the Governance Committee met the prior day and after adopting the minutes of the November 9, 2021 meeting, undertook the annual review of existing policies involving the bylaws, mission statement and performance metrics, code of ethical conduct, whistleblower policy, and policy regarding payment of compensation and reimbursement to and time and attendance of Senior Management. He noted that there were no revisions to any of those documents, except for the performance metrics, and there is no board action for those

documents at this point. He asked Ms. Richards to discuss the proposed change to the performance metrics.

Ms. Richards reminded the Members that at the Governance Committee meeting in November, it was suggested that metrics be revised to formally recite DASNY's policy of awarding 6% of contract value to service-disabled veteran owned businesses. She reported that such a provision has been added and Board approval is requested.

Mr. Ronski moved the adoption of the following entitled Resolution:

A RESOLUTION OF THE MEMBERS OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) RE-APPROVING DASNY'S MISSION STATEMENT AND PERFORMANCE MEASURES, AND METRICS TO QUANTIFY PERFORMANCE GOALS

The motion was seconded by Ms. Sullivan and the Resolution was unanimously adopted.

The Board Members acknowledged that they had reviewed the DASNY bylaws and concurred with Staff's recommendation that no revisions are necessary at this time. Ms. Richards noted that the review satisfies the annual review requirement.

PRESIDENT'S REPORT

The President reported that the first in person cabinet meeting with Governor Hochul was held last month. He stated that as a result of the decline in positive COVID rates, the Governor has reduced and lifted some mask mandates, and will continue to do so. As such, DASNY staff will return to full time work in the office on March 7, and the April Board meeting is scheduled to be in person at the New York City office.

The President highlighted DASNY's collaboration with the Division of the Budget in connection with the PIT transaction. He stated that as part of the transaction, a \$500 to \$600 million taxable series will be led by three minority firms, and all other firms in the syndicate will be MWBE or SDVOB firms. The President informed the Members that the transaction will be featured in the Bond Buyer next week.

The President informed the Members that DASNY is planning to vacate its current Buffalo office and sell the building. He explained that the building needs significant structural repairs and is not ADA compliant. Because it no longer meets DASNY's needs, it is recommended that DASNY undertake the State-mandated process to sell the building and lease new office space conveniently located near the University of Buffalo, North Campus. President McDaniel stated that the draft lease is included in the Board Book and is a 10-year lease with an acceleration provision after the 5th year. The proceeds of the sale will come back to DASNY and can be used for general purposes, including offsetting some of the costs of moving to the new Buffalo office and some of the future lease payments. The President requested Board Approval to enter into a lease for the new office space, as well as Approval to sell the current office. He confirmed that if any major changes to the lease were agreed to, then the Board would have the opportunity to review those changes.

Ms. McKinnie moved the adoption of the following entitled Resolution:

RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (“DASNY”) APPROVING A LEASE OF PROPERTY LOCATED AT 6047 TRANSIT ROAD, SUITE 102 EAST AMHERST, NEW YORK

Mr. Gardner seconded the motion and the Resolution was unanimously adopted.

Ms. McKinnie moved the adoption of the following entitled Resolution:

RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (“DASNY”) APPROVING THE DISPOSITION OF REAL PROPERTY LOCATED AT 539 FRANKLIN STREET, BUFFALO, NEW YORK

Mr. Gardner seconded the motion and the Resolution was unanimously adopted.

The President informed the Members that the Board must approve an operating budget for the following year. He reminded the Members that there was a Budget presentation at a prior meeting and that approval is now requested. President McDaniel stated that the Board is being asked to adopt an operating budget that includes a \$2.4 million operating deficit. He explained that unlike during the pandemic, DASNY will not tap into reserve funds to make up the deficit. The President informed the Members that DASNY is exploring several strategies to address the deficit, including working with DOB; compensation for DASNY’s work with the Office of Cannabis Management; and making appropriate expense cuts, including personnel expense cuts, so that DASNY ends the year with a balanced budget. He noted that the funds received from the sale of the Buffalo office will not be utilized to pay for operations and that the deficit will be resolved with reductions in operational expenses.

FINANCIAL REPORT

Ms. Ellis delivered the Finance Report. She directed the Members’ attention to the updated budget included in the Board materials. Ms. Ellis noted that the budget reflects a 2022-23 revised proposed operating budget of \$116,434,960, representing a 1.2% increase from the 2021-22 revised budget. Ms. Ellis stated that the updated materials reflect slight revisions to the projected results for the current year and include an increase to health insurance based on updated projections. Revenue projections were updated to reflect the most recent data obtained from the State’s budget process, resulting in a decrease in the projected deficits for this year and the 22-23 fiscal year. She emphasized that if additional revenues cannot be identified, DASNY will implement measures to close the gap, up to and including reductions to personnel expenses.

President McDaniel and Chair Carney thanked Board Member Adrian Swierczewski for his assistance with the budget negotiation process and his support of DASNY.

Ms. Snyder moved the adoption of the following entitled Resolution:

**RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(DASNY) ADOPTING DASNY'S OPERATING BUDGET 2022-2023 AND APPROVING
DASNY'S BUDGET AND FINANCIAL PLAN SUMMARY**

Ms. Sullivan seconded the motion and the Resolution was unanimously adopted.

The President informed the Members that the Board is required to approve DASNY's fee structure on an annual basis. He stated that there have been no changes to the fee structure.

Ms. McKinnie moved adoption of the following entitled Resolution:

**RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK
ADOPTING A FEE STRUCTURE FOR THE DORMITORY AUTHORITY OF THE STATE
OF NEW YORK (DASNY)**

Ms. Sullivan seconded the motion and the Resolution was unanimously adopted.

Ms. Ellis reported that financing fees are \$1.3 million through January. The percentage of direct hours charged to public client programs is slightly up at 95.2% and total operating expenses are slightly under projection by \$100,000.

PUBLIC FINANCE REPORT

Ms. Lee informed the Members that the Board authorized the issuance of PIT/Sales Tax Bonds in an amount not to exceed \$3 billion at the February meeting. DOB has informed DASNY that they may wish to include approximately \$200 million in additional project costs in this transaction, which would bring this financing over the \$3 billion not-to-exceed amount previously authorized. Ms. Lee explained that this is an unusual situation. The additional costs are those that ESD typically finances, but DOB may ask DASNY to include them in its transaction, since it will be closing before the end of the fiscal year.

Ms. Lee informed the Members that Staff has discussed this with Nixon Peabody and Bryant Rabbino, bond counsel on this transaction. She stated that in the opinion of Bond Counsel, sufficient authorization exists to accommodate the issuance of the additional \$200 million more than the previously-authorized \$3 billion and noted that she would turn it over to bond counsel to further explain this. She reminded the Members that the Board authorized the issuance of PIT/Sales Tax bonds in an amount not to exceed \$3 billion in November 2021, and that DASNY issued \$2.5 billion in bonds in December 2021. As such, there is unused capacity in the previous authorization to accommodate this situation.

Ms. Lee explained that the construct in the legal documents for the PIT/Sales Tax program is unique, as the documents are written to provide flexibility with regard to issuing one or more series, at one or more times and for Authorized Purposes. She stated that although the Board is provided with a list of programs expected to be financed with Bond proceeds, DASNY is authorized to issue for any of the allowable programs.

Mr. Reitzel summarized the legal analysis undertaken by Bond Counsel. He affirmed Ms. Lee's factual summary, and thanked the working group for its cooperation and flexibility. Mr. Reitzel stated that the November Authorization, consisting of both the supplemental resolution the Board adopted and the PACB resolution, explicitly provides for multiple issuances of bonds in one or more series or subseries, at one or more times. He further stated that the February Authorization, again consisting of both supplemental and PACB resolutions, also explicitly provides for multiple issuances of bonds in one or more series or subseries, and at one or more times. Moreover, the February authorization contains nothing that undermines, supersedes or otherwise impacts that November Authorization.

Mr. Williams stated that, as is customary for these programs and described in the Board letters, the supplemental and PACB resolutions both contain the expected use of bonds proceeds, but both resolutions also explicitly provide for the issuance of bonds for any authorized purpose which allows for a great deal of flexibility. He summarized that, taken all together, as a legal matter, given the express provisions of the November Authorization and February Authorization, it is the view of Bond Counsel that DASNY retains the authorization to issue Bonds up to the "unused portion" of the November Authorization for any authorized purpose, and without any further action by the Board or PACB.

President McDaniel reiterated that this is a unique scenario and is not something that DASNY intends to repeat from a precedent perspective. He emphasized that the authorization and flexibility provided to the Division of the Budget and the State for the PIT/Sales Tax credit is not extended to private clients. Rather, DASNY views this as an accommodation for DOB, given the timing of DASNY's issuance. It is not intended to reflect a different methodology or set a precedent for future financings.

Ms. Snyder opined that examining the overall financial environment, rising interest rates and the need to work quickly contribute to the exceptional situation and it is appropriate for DASNY to accommodate DOB in this scenario. Ms. Sullivan stated that she finds this rationale compelling--the combination of rising interest rates and the upcoming fiscal year end have created an exceptional situation.

The Chair stated that he has had extensive conversations with the President and with Ms. Lee which have led him to conclude that DASNY is authorized to issue bonds in excess of the amount authorized in February by utilizing unused capacity from the authorization received in November 2021. He emphasized that this is an exceptional situation with no precedential value and is supported by a clear legal opinion from Bond Counsel.

The Chair thanked the Members and Bond Counsel for their insight and consideration. He reiterated that while generally authorization for the issuance of bonds is limited to a particular issuance, he understands the legality of utilizing unused authorization from a prior approval. The Chair emphasized that he is pleased DASNY could help accommodate the State's request to view this as an exceptional situation in these circumstances. He reiterated that this approach is not one that should be relied upon in the absence of truly exceptional situations.

Ms. Lee noted that the Oceanside Library financing priced two weeks ago and is closing tomorrow. She then provided a brief market update. She stated that total year to date new issue volume for

2022 is approximately \$48.7 billion, down about 25.3% from this time last year, and total supply for this week is expected to be about \$7.0 billion. Ms. Lee reported that municipal bond funds reported outflows for the week ending February 23rd after reporting outflows previously.

Ms. Lee updated the Members on ratings changes for certain DASNY clients. She stated that S&P upgraded NYU Langone Hospitals to A+ from A, citing the hospital's improved balance sheet and cashflows, solid debt service coverage, young age of the facilities and increasing geographic coverage.

Ms. Lee reported that Moody's downgraded Catholic Health System of Western New York to B1 from Ba2. She reminded the Members that she updated the Board in October regarding Moody's downgrade at that time to Ba2 from Baa2. At that time, they cited declining liquidity, the nurses strike and the effects of the pandemic. Ms. Lee noted that Moody's took this most recent action in connection with an upcoming \$60 – 65 million new money financing. It should be noted that in this rating action they also cited CHS's essential market position.

Ms. Lee reported that DASNY is working with OCFS to provide financing and construction services under the Raise the Age legislation.

CONSTRUCTION PROJECTS REPORT

Mr. Curro delivered the Construction Projects Report. He updated the Members on the Javits/Moynihan project. He stated that DASNY issued a conditional Temporary Approval for Occupancy on Friday, February 25 for the merged South, Expansion and Transformer Building project. The conditional TAO now allows Javits Center events to utilize both the South (existing) and Expansion space concurrently without barriers to entry of either space in place. Conditions of the TAO expire at the end of April 2022. The team will now work on the items and issues associated with the conditions, hopefully leading to a Code Compliance Certificate in the near future.

Mr. Curro reported that work continues on 23 active projects in the GOSR Program as the conclusion of the program is slated for September 2022. Regarding the DOH Lab, Mr. Curro reported that DASNY has received approval from the NY Attorney General's Office with respect to reprogramming efforts to align the project with the \$750 million budget and are now seeking approval from the NYS Controllers Office seeking the final approval needed to begin the reprogramming work with the selected design build team.

Mr. Curro summarized the progress on various SUNY projects including the renovation of Smith Hall at SUNY Cortland, Awosting Hall at SUNY New Paltz, and Colonial Quad at SUNY Albany. Fifteen 2022 summer projects are on the books currently with a total project value of approximately \$18 million.

Mr. Curro informed the Members that project activity continues across the OMH campuses statewide, including the \$406 million Mid-Hudson Psychiatric Center; the \$140 million Central NY Psychiatric Center; and the \$40 million Western NY Children's Psychiatric Center upgrade project. DASNY's General Counsel continues to collaborate with OMH regarding compliance

with the vaccine mandate for DASNY's prime consultants, subconsultants, contractors and subcontractors.

Mr. Curro summarized the status of the PMWeb Implementation and stated that DASNY is currently recruiting for over 20 open positions in the Construction Division. He highlighted his speaking engagements in February.

GENERAL COUNSEL REPORT

Ms. Fontaine updated the Members on current DASNY legislative proposals included in the 2022-23 Executive Budget. She explained that, if passed, these proposals would expand DASNY's authority to provide finance, design, and construction services to additional entities, including non-profits and municipalities beyond the current statutorily authorized list of clients. Several of these proposals would allow entities that may lack the ability to manage large scale projects and are expected to receive state funding in support of a larger state initiative, to take advantage of DASNY's construction management expertise. These initiatives include the Brownfield Opportunity Area Expansion bill; the Downtown Revitalization Initiative; OASAS Capital Program Reforms Bill; expanding DASNY's ability to provide services to other public authorities; a proposal to expand New York's prequalification process to DASNY; and a proposal to expand DASNY's ability to provide finance, design and construction services to any not for profit organization for capital infrastructure projects with a total cost of at least \$5 million; extenders for DASNY's design-build authorization as well as the ability to create subsidiaries in certain circumstances where the borrowers have defaulted on DASNY loan agreements or mortgages.

Ms. Fontaine stated that DASNY has also submitted a legislative proposal that would authorize the creation of the Cannabis Social Equity Fund to provide financial assistance to socially and economically disadvantaged licensees to establish retail cannabis dispensaries and authorize DASNY to provide planning, design, procurement, and construction services for these licensees. The bill also allows the creation of one or more subsidiaries and authorizes DASNY to use those subsidiaries to provide services to the Office of Cannabis Management, the Cannabis Control Board, and the newly created Social Equity Fund.

Ms. Fontaine apprised the Members that there are provisions in the Executive Budget to expand the Statewide Health Care Facility Transformation Program with a new phase in the amount of \$1.6 billion to fund capital projects for various eligible health care providers.

The Chair thanked Ms. Fontaine for her robust report and asked that she provide a detailed report on several of these items at the next meeting. President McDaniel also thanked Ms. Fontaine, and emphasized that DASNY has worked to expand its legislative authority to include new programs, which will be beneficial to DASNY's future success.

Mr. Gardner observed that should these attempts to expand DASNY's authority succeed, it will be even more important to have staffing at a level sufficient to appropriately carry out the new initiatives and responsibilities. President McDaniel agreed, and stated that the proposals are all funded mandates.

Ms. Sullivan moved that the Members go into Executive Session to discuss the financial and credit history of particular corporations; proposed, pending or current litigation, and the employment history of persons or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of particular persons. Ms. Snyder seconded the motion and the Members went into Executive Session.

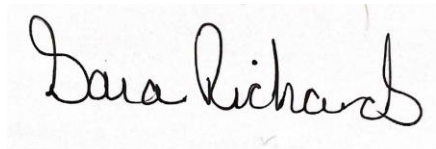
EXECUTIVE SESSION

No action was taken in Executive Session other than to return to Public Session.

PUBLIC SESSION

Ms. Snyder moved that the Meeting adjourn, Mr. Johnson seconded the motion and the Meeting was adjourned at approximately 11:45 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Sara Richards". The signature is written in a cursive style and is centered on the page.

Sara P. Richards
Assistant Secretary