

RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK EXPRESSLY AUTHORIZING INVESTMENT OF ANY AND ALL FUNDS RECEIVED FROM, OR ON BEHALF OF, THE NEW YORK STATE CANNABIS REVENUE FUND IN LIMITED PARTNERSHIP INTERESTS OF THE NEW YORK SOCIAL EQUITY CANNABIS INVESTMENT FUND, A PRIVATE CREDIT FUND SELECTED PURSUANT TO PAL §1678(32).

WHEREAS, the Dormitory Authority of the State of New York (the "Authority") has established the Dormitory Authority Investment Policy and Guidelines, last amended and approved by a Resolution of the Board adopted on March 31, 2021, that permits the Office of Finance to invest moneys not required for immediate expenditure in certain specified investments ("Permitted Investments");

WHEREAS, pursuant to SFL§ 99-ii (3)(d), the State has made, subject to available appropriations, up to fifty million dollars in funding for investment by the Authority in a private debt or equity fund formed, and subject to the terms and conditions specified, under PAL §1678(32) ("State Advance");

WHEREAS, pursuant to SFL§ 99-ii (2-a), revenues deposited into the New York State Cannabis Revenue Fund are to be first used to reimburse the State general fund for any funds transferred therefrom to fund the State Advance;

WHEREAS, under the authority granted to it pursuant to PAL §1678(32), the Authority has selected to invest in the New York Social Equity Cannabis Fund, a private credit fund [to be] established to cover capital costs associated with establishing conditional adult-use cannabis retail dispensaries for operation by social equity licensees duly licensed pursuant to article 2 of the cannabis law (the "Private Fund");

WHEREAS, an investment by the Authority in an entity in form of the Private Fund is not covered within the scope of Permitted Investments under the Dormitory Authority Investment Policy and Guidelines;

NOW, THEREFORE, BE IT RESOLVED, by the Members of the Dormitory Authority that:

THE AUTHORITY HEREBY PERMITS THE INVESTMENT IN THE PRIVATE FUND OF ANY MONEYS MADE AVAILABLE TO IT FROM THE STATE, WHETHER FUNDED AS PART OF THE STATE ADVANCE OR DIRECTLY FROM THE NEW YORK STATE CANNABIS REVENUE FUND, THAT ARE DULY AUTHORIZED TO BE INVESTED IN SUCH PRIVATE FUND.

This Resolution shall take effect immediately.



DORMITORY AUTHORITY OF THE STATE OF NEW YORK
Memorandum

TO: Mr. Alfonso L. Carney, Jr.
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Hon. Betty A. Rosa
Hon. Robert F. Mujica
Dr. Mary T. Bassett

FROM: Kimberly A. Ellis
Chief Financial Officer and Treasurer

DATE: August 3, 2022

RE: Proposed Exception to DASNY's Investment Policy and Guidelines

In accordance with Section VIII of the Investment Policy and Guidelines, the Board and Treasurer may specifically authorize other investments that are consistent with the overall objectives of the investment program. Pursuant to SFL §99-ii (3)(d), the State has made available, subject to appropriation, an amount up to \$50 million in funding for investment by DASNY in a private debt or equity fund.

Staff is proposing an exception be made to the Investment Policy and Guidelines to allow for investments, which in the aggregate will be an amount up to \$50 million, in the New York State Social Equity Cannabis Fund, a private credit fund established to cover capital costs associated with establishing conditional adult-use cannabis retail dispensaries for operation by social equity licensees duly licensed pursuant to Article 2 of the Cannabis Law. Amounts will be invested solely from monies made available from the State as part of an advance or directly from the New York State Cannabis Revenue Fund. The current Investment Policy and Guidelines does not permit the investment into private credit funds.

Should you have any questions, please feel free to contact me at Kellis@dasny.org.

cc: Ken Evans
Adrian Swierczewski
Phyllis Morris