

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 and 515 Broadway, Albany, New York was held on Wednesday, September 6, 2023, with proceedings commencing at 9:45 a.m.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Lisa Gomez, Board Chair at 9:47 a.m. The following Board Members and Staff were present:

Board Members Present – NYCO

Lisa Gomez, Board Chair
Gerard Ronski, Esq. – Vice Chair
Wellington Chen—Board Member

Board Members Present –Via Phone/Zoom

Alfonso L. Carney, Jr. – Board Member

Board Members Present – Albany

Joan M. Sullivan – Board Member
Robert Rodriguez – Board Member (***Arrived during President’s Report; quorum was called and all business conducted after his arrival**)
Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)

Board Members Absent

Beryl L. Snyder, Esq., Board Member
Janice McKinnie – 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*)

Staff Members Present

Reuben R. McDaniel, III, President and Chief Executive Officer, (Via Zoom)
Charlie Williams, Vice President, (Via Phone)
Stephen Curro, Managing Director of Construction
Kimberly Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Sara Potter Richards, Esq., Managing Director, Executive Direction
Matthew Moore, Esq., Deputy General Counsel

Ricardo Salaman, Esq., Deputy General Counsel
Dena Amodio, Associate General Counsel
Dan Brown, Senior Director, External Relations
Matt Bergin, Director, Public Finance
Deborah Fasser, Director, Strategic Communications & Business Development
Jenilee Flinton, Director, Internal Audit
Chad Pirro, Director, Financial Administration
Jeffrey Gordon, Director of Communications
Craig Schreivogl, Director, Portfolio Monitoring
David Ostrander, Assistant Director, Public Finance & Portfolio Monitoring
Alex Sirdine, Senior Financial Analyst
Karen Ehlinger, Manager, Internal Control Analysis
Dave Byam, Senior Systems Specialist
Brittany Stinson, Public Information Officer
Amanda Nazario, Confidential Legal Assistant
Lori Huelle, Executive Assistant

Outside Counsel Present (via Zoom)

Jeffrey Pohl, Esq., Nixon Peabody LLP

PUBLIC SESSION

President's Report

President McDaniel reported that DASNY will be administering a new round of grants for the Nonprofit Infrastructure Capital Investment Program at the request of the Governor's Office. He explained that NICIP is a competitive program for not-for-profit organizations that provide critical services to New Yorkers. He stated that the Request for Proposals is expected to be released in September and will fund investments in capital projects to maintain the quality, efficiency, and accessibility of not-for profit human services organizations. He informed the Members that the first round of NICIP funding was in 2018, and this round will award approximately \$60 million dollars to eligible entities on a rolling application basis. Individual grants will range from \$50,000 to \$500,000 and are expected to be announced in December 2023. The President acknowledged Karen Hunter, Director of Grants Administration, and the entire Grants Administration Unit Team. He informed the Members that the Unit does a wonderful job for our State partners and for the Grantees and as a result, he expects DASNY to have additional opportunities to administer more grant programs in the future.

President McDaniel reported that Vice President Charlie Williams and Sara Richards, Managing Director of Executive Direction, are leading employee engagement activities at DASNY. He stated that there used to be more activities for employees, and the organization will be reviving these efforts. He noted that there was an International Food Festival this summer and a school supply donation drive over the summer which was very successful. The President stated that the employees in the Albany Office will have an ice cream truck visit this afternoon, and there will be treats in the New York City Office for Board Members and Employees after the meeting. He

encouraged the Members to stay and meet some of the employees. President McDaniel noted that future activities include a holiday party and other activities to bring people together.

President McDaniel reported that DASNY led a successful internship program this summer and thanked all the DASNY employees who assisted with the interns. He stated that approximately 35 current DASNY employees are former interns. The President further stated that employment offers have been extended to 3 of the 12 summer interns. He informed the Members that the program is a great way to promote DASNY among those beginning their careers, and hopes that the interns publicize their experience to their peers.

In response to a question from Mr. Carney, President McDaniel stated that he and Ms. Lee have spoken about renewing the Diversity Fellowship Program, where interns work at DASNY for 6 months and then with a financial institution for 6 months. He stated that DASNY is working with two financial institutions to develop a program, and is hopeful that recruitment will begin in December for interns to begin in the summer of 2024.

President McDaniel stated that DASNY will close its first sustainability bond transaction September 7. He stated that approximately \$113 million of the bonds being issued on behalf of SUNY will have a sustainability designation supported by a second party opinion and verification. The President explained that sustainability bonds support green and social bond principles and he is pleased that DASNY was able to work with SUNY to accomplish this issuance.

In response to questions from Mr. Ronski and Mr. Carney, the President stated that the outlook is bright for SUNY, as the new Chancellor has new initiatives planned, and there is a robust SUNY Summer program planned for 2024.

President McDaniel concluded his report by stating that several DASNY staff members attended the unveiling of the Ruth Bader Ginsburg engraving on the Great Western Staircase in the State Capitol building including Molly Larkin, Nadine Fontaine, and Sara Richards. He reported that Molly Larkin, Director of Upstate Design and Construction, was formerly employed by the New York State Office of General Services. While at OGS, Ms. Larkin was part of the team who proposed honoring Judge Ginsburg in this way. President McDaniel stated he is very proud of the great work she did in connection with this project, and that he is pleased that she is continuing her career at DASNY, where she is doing an outstanding job.

Mr. Carney expressed that he is very moved by this story and thanked the President for including this item in his report. He expressed surprise that Ruth Bader Ginsburg is one of only 7 women who are engraved on the staircase, and the first person of Jewish descent. Mr. Carney stated that the honor is well deserved. He also thanked Ms. Larkin for her work at OGS and at DASNY and stated that he would love to see pictures from the event.

Secretary Rodriguez arrived at the meeting at this time and a quorum was declared present.

Minutes of the July 26, 2023 Board Meeting

Upon a motion from Mr. Carney and a second from Mr. Ronski, the minutes of the July 26, 2023 Regular Board Meeting were approved unanimously.

Finance Committee Report

Mr. Ronski informed the Members that the Finance Committee met earlier today and after adopting the minutes from the July 2023 Finance Committee meeting, the Committee Members discussed the AMDA transaction. He stated that after discussion, the Finance Committee recommends adoption of a Resolution to Proceed with the AMDA transaction by the full Board at today's meeting.

American Musical and Dramatic Academy—Resolution to Proceed

President McDaniel asked Alex Sirdine to present the AMDA transaction summary. He noted that the Resolution to Proceed is the first step in the financing, and the Board will be asked to authorize the adoption of documents and the financing at a future meeting.

Mr. Sirdine stated the Board is being asked to adopt a Resolution to Proceed with the issuance of one or more series of tax-exempt and/or taxable, fixed and/or variable rate bonds in an amount not to exceed \$80,000,000 with a maturity not to exceed 30 years on behalf of AMDA, Inc. for its NYS operating entity, The America Musical and Dramatic Arts Academy (AMDA). He noted this is a private placement transaction and the bonds will be issued in dominations of at least \$100,000.

Mr. Sirdine stated that AMDA plans to issue bonds concurrently through two separate issuers: DASNY and the California Municipal Finance Authority. He further stated that the proceeds of the Bonds will be used to refinance AMDA's Series 2015 and Series 2018 Bonds issued by Build NYC, as well as a taxable bank loan issued in 2015. Mr. Sirdine informed the Members that in addition to the refinancings, the bond proceeds are expected to be used to fund various renovation and deferred maintenance projects at its New York location.

In response to a question from Mr. Rodriguez regarding the failure of AMDA to provide audited financial statements in a timely fashion, Mr. Sirdine stated that Preston Hollow, the qualified institutional buyer for the Bonds, is aware of this issue, has discussed it with AMDA, and is willing to move forward with the financing. He noted that there has been full disclosure of this matter.

Mr. Chen moved the approval of the following entitled transaction:

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 AMERICAN MUSICAL AND DRAMATIC ACADEMY.

Mr. Carney seconded the motion and the transaction was unanimously adopted.

Mental Health Voluntary Agency Residential Rental Project(s)—Official Intent Resolution

Mr. McDaniel introduced Jeffrey Pohl, Esq. of Nixon Peabody, LLP, Bond Counsel. He informed the newer Board Members that Mr. Pohl was General Counsel to DASNY for many years in the early 2000's.

Mr. Pohl stated that the Members are being asked to adopt a declaration of official intent related to a loan of approximately \$4,000,000 to be made to Odyssey House under DASNY's Mental Health Voluntary Agency Program. He further stated that this loan will enable Odyssey House to complete a housing project and also to avail itself of private funds derived from the sale of federal tax credits.

Mr. Pohl informed the Members that the project involves federal tax credits, and the bond proceeds will be utilized for unanticipated cost increases. Therefore, the tax exempt bonds must qualify as exempt facility bonds for qualified residential rental projects under the Internal Revenue Code. He stated that the Internal Revenue Code also requires a declaration of official intent to be adopted by the issuer of the bonds. He noted that typically DASNY's borrowers adopt their own declarations of intent as permitted for the types of tax-exempt bonds generally issued by DASNY.

Mr. Pohl stated that the adoption of the declaration of official intent will allow Odyssey House to reimburse itself from the proceeds of the bonds for expenses incurred no earlier than 60 days before the adoption of the declaration. In response to a question from Mr. Carney, Mr. Pohl confirmed that the adoption of the declaration does not obligate DASNY to issue any bonds; rather, it is to satisfy a requirement of the IRS. He informed the Members that the loan is expected to be funded from the proceeds of the Series 2023 PIT Bonds.

Mr. Ronski inquired whether the additional costs were incurred in connection with the original project. He also asked how large the overage is over the anticipated budget. Mr. Pohl replied that this authorizes additional funds to be spent on the same project financed previously, and the Declaration must be adopted in order to satisfy IRS requirements. He stated that he would provide the exact numbers to Mr. Ronski.

Chair Gomez stated that the adoption of such Declarations are standard operating procedure in the Housing arena and are necessary for cost eligibility.

Mr. Chen moved the adoption of the following entitled resolution:

OFFICIAL INTENT RESOLUTION REGARDING MENTAL HEALTH VOLUNTARY AGENCY RESIDENTIAL RENTAL PROJECT(S)

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

Public Finance Report

Ms. Lee delivered the Public Finance Report. She informed the Members that since the July Board meeting, DASNY has priced and closed 4 transactions: The Greater Southern Tier BOCES transaction, the Sales Tax financing, the New York Presbyterian transaction, and SUNY Dorms, which is closing tomorrow.

Ms. Lee provided a brief market update. She stated that the total year-to-date new issue supply for 2023 is approximately \$245.7 billion, down 15% from last year at this time. Ms. Lee further stated that this week's supply is expected to be consistent with recent averages at about \$7 billion.

Ms. Lee stated tax-exempt bond yields were unchanged on Tuesday, with both the 10-year and 30-year AAA MMD holding steady at 2.94% and 3.88%, respectively. She added that U.S Government bond yields were higher with the 10-year Treasury yield increasing by 9 basis points to 4.27%, while the 30-year Treasury yield increased by 9 basis points to 4.38%. Ms. Lee reported that Municipal bond funds reported inflows for the week ending August 30.

Ms. Lee stated since the last board meeting, the one-year MMD rate has increased by 23 basis points; the 10-year MMD has increased by 44 basis points, and the 30-year MMD has increased by 42 basis points. She further stated that on the Treasury side, the 10-year treasury yield has increased by 36 basis points, and the 30-year treasury yield has increased by 43 basis points.

President McDaniel thanked Ms. Lee for her report. He informed the Members that DASNY closed 4 transactions over the summer in a difficult market, and thanked Matt Bergin, Director of Public Finance, for his work on these deals. President McDaniel stated that Mr. Bergin leads DASNY's pricing efforts and does a great job.

Finance Report

Ms. Ellis delivered the Financial Report. She stated that both personnel and non-personnel expenses are trending slightly under projection. Ms. Ellis informed the Members that DASNY closed on one private debt issuance in July, and received \$600,000 in financing fees through July. She reported that the percentage of direct hours charged to public client programs is up slightly at 95.8% against a budget amount of 94.6%.

Ms. Ellis directed the Members' attention to the quarterly investment report for the period ending June 30, 2023. She stated that the overall portfolio decreased by approximately \$400 million, primarily due to construction expenditures offset by new bond issuances and receipts for debt services. Due to improvements in short-term treasury rates, the portfolio saw a shift of \$3 billion from agency securities into treasury obligations. She informed the Members that KPMG completed its audit of 12 individual financial statements and issued a clean opinion on August 31, 2023.

JDE Replacement: Financial Management System Implementation Contract – Resolution

Ms. Ellis stated that before the Members for their consideration is a Resolution to allow DASNY to enter into a contract with HSO Enterprise Solutions, LLC as its implementation partner to plan, design, build, train, and deploy Microsoft Dynamics 365 for Finance & Operations (D365), a cloud-based resource planning system that will replace our current JD Edwards financial management system.

Ms. Ellis informed the Members that JD Edwards is reaching the end of its practical useful life, and with the advances in technology over the past 20 years, DASNY would like to streamline its current financial processes. She reported that D365 and HSO were selected after undergoing a comprehensive selection process which included issuance of an RFI to solicit information about potential software solutions. Once D365 was chosen as the selected software platform, DASNY undertook a two-step, cost-based bid process to solicit responses from prospective implementation partners.

Ms. Ellis reported that through this process, 3 firms were pre-qualified to submit a bid based on meeting certain requirements, including being a Microsoft Gold Certified D365 ERP Partner who has had experience with public sector implementations and data migration expertise. She stated that HSO Enterprise Solutions, LLC was the apparent low bidder and has satisfied all requirements under the bid. Ms. Ellis further stated that all terms have been negotiated and the draft underlying contract is included within the confidential tab of the Board materials.

Ms. Sullivan asked Ms. Ellis if a technical evaluation of the 3 bids was undertaken prior to considering the cost. Ms. Ellis responded in the negative. She stated that instead, DASNY pre-qualified the firms by identifying the desired criteria. Ms. Ellis stated that only 3 firms were prequalified out of the 7 or 8 submissions received.

President McDaniel informed the Members that Chad Pirro, Director of Financial Administration, will be leading this project. He stated that Mr. Pirro spearheaded the creation and implementation of the Power Platforms system for the Grant Administration Unit. The President further stated that Mr. Pirro has a great deal of technical and business expertise, as well as familiarity with the DASNY organization. He expressed confidence in Ms. Ellis, Mr. Pirro, and DASNY's IS Team. The President estimated that the transition would take approximately 2 years to implement.

Mr. Carney asked whether Counsel's Office has approved the contract, and Ms. Ellis responded in the affirmative. Mr. Ronski asked whether the implementation partner has done other work for other Governmental agencies. Ms. Ellis replied that they had, and Mr. Pirro confirmed that they were recently awarded as the top implementation partner for Microsoft for dynamic finance applications.

Mr. Carney 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") AUTHORIZING THE EXECUTION OF A CONTRACT WITH HSO ENTERPRISE SOLUTIONS, LLC

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

Construction Projects Report

Mr. Curro delivered the Construction Report. He stated that DASNY added 13 new projects totaling \$157.6 million to the portfolio last month: 10 CUNY projects, one OMH project, and 2 SUNY projects. Mr. Curro further stated that 4 projects with a total value of approximately \$30 million were completed: 3 for CUNY and one for SUNY.

Mr. Curro stated that Fiscal Year expenditures through July 2023 are \$247 million, compared to \$163 million for July 2022, an increase of approximately \$84 million over last year.

Mr. Curro informed the Members that the project on the cover of the Report depicts the Dental Clinic, a \$700,000 project undertaken at the Hutchings Psychiatric Center located in Syracuse, New York that was completed in June.

Mr. Curro provided an update on several programs. He reported that the substantial completion date of the new dorm at FIT is February 2024, beyond the September 2023 completion date that was anticipated. Mr. Curro stated that DASNY is working with the contractor and the surety in order to meet the early 2024 target. Regarding the \$40 million Awosting Hall project at SUNY New Paltz, Mr. Curro stated that the project is expected to be completed this month, with a spring 2024 occupancy planned.

Mr. Curro reported that UAlbany's \$40 million-dollar Colonial Quad is on track for completion in August of 2024, and work continues on both the low-rise dorms and the new fitness center spanning between the dorms. He stated that Phase III B of Mackenzie Hall at SUNY Alfred has been completed and students moved in for the Fall semester. Phase III C work continues, with student occupancy anticipated for the spring 2024 semester. With respect to the SUNY Summer program, all of the 2024 projects were completed on time and ready for occupancy for the fall semester.

Mr. Curro reported that DASNY will be meeting with CUNY's facility staff to discuss process efficiencies in connection with the program. He stated that the \$100 million project at the Lehman School of Nursing will be completed this month and Spring 2024 occupancy is planned. Mr. Curro informed the Members that there are robust portfolios at Queen's College, Hunter College, York College, College of Staten Island, New York City College of Technology, and City College, and other CUNY campuses as well.

With respect to the OCM program, Mr. Curro reported that 14 buildouts are underway and several others are either in the design phase or awaiting municipal or Fund approval to advance the projects. He noted that the Construction Division staff and DASNY term consultants continue to support the program.

Mr. Curro reported that the \$1.7 billion DOH Life Sciences Lab project is now in the final business terms negotiation phase with the design build team and expected to be concluded this week. He stated that he anticipates forwarding to OSC for approval in the near future, at which point the design and early let packages for the design build team can proceed.

Mr. Curro informed the Members that there is a long list of projects to be completed for OMH over the next few years. He stated that work at Mid-Hudson Forensic PC, Capital District PC, Rochester PC, Central NY and Mohawk Valley PC all continue with a heavy workload. Mr. Curro further stated that the 500 space parking garage at the Capital District Psych Center has started design. He reported that with respect to OPWDD, there is a heavy workload at Sunmount and other DDSOs.

Mr. Curro stated that the Construction Division continues to recruit for over 40 openings. He informed the Members that a new initiative is being launched in order to more effectively onboard construction division staff in order to enhance their experience with orientation, training, and mentoring. He stated that he hopes to have that in place by the end of 2023.

Mr. Curro reported that Staff is currently negotiating several PLAs: one in Rochester that is expected to come before the Board for approval this fall; and one with the New York City BCTC for the blanket PLA in New York City that expires in December 2023. He indicated that he expects there will be another PLA in place before the expiration date.

Mr. Curro stated that DASNY has now closed out 50 of 250 open projects. He reported that over 700 projects have been entered into the new PMWeb project management application.

Mr. Rodriguez inquired about DASNY's role with the projects being undertaken at NYCHA facilities. Mr. Curro responded that DASNY plays a limited role in these projects by approving requisitions and making payments, but is not directly involved in the contracting process.

In response to a question from Mr. Ronski, Mr. Curro stated that he completed the final negotiation session with the contractor last Friday and it will be forwarded to Counsel's Office for final approval in the near future. He further stated that he is hopeful the approval process takes place quickly, as he is excited to begin working on this large new project.

General Counsel's Report

Ms. Fontaine directed the Members' attention to the training materials in the Board Book pertaining to Project Sunlight, the initiative created pursuant to the Public Integrity Reform Act of 2011. She explained that the purpose of Project Sunlight is to increase government transparency and accountability by providing the public with an opportunity to see who is interacting with government decision makers.

Ms. Fontaine stated that DASNY board members, as well as certain DASNY employees, are required to receive Project Sunlight Training annually and are also required to report on certain specifically designated meetings including in person meetings, video chats, conferences, or appearances. Telephone conversations, and or written communication, such as letters, faxes, forms, or emails are not required to be reported. Ms. Fontaine directed the Members to review the materials and notify Ms. Nazario when they have done so for reporting purposes. She noted that the State maintains a Project Sunlight database with a record of all reportable meetings.

Ms. Fontaine informed the Board Members that Monica Norris is DASNY's current Project Sunlight officer.

Chair Gomez asked the members to complete training within the next month.

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 and the discipline, suspension, dismissal, or removal of a particular person or corporation, and proposed, pending or current litigation.

Mr. Chen seconded the motion and the Members went into Executive Session.

PUBLIC SESSION

While in Executive Session, no decisions were made other than that to return to Public Session.

Mr. Chen moved that the meeting adjourn. Upon a second by Mr. Rodriguez, the meeting was adjourned at 11:05 a.m.

Respectfully Submitted,

A rectangular box containing a handwritten signature in black ink. The signature appears to read "Sara Richards".

Sara Richards
Assistant Secretary