

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, April 10, 2024, with proceedings commencing at 12:00 p.m.

CALL TO ORDER / ROLL CALL

The meeting was called to order by Lisa Gomez, Board Chair at 12:00 p.m. and a quorum was declared present.

Ms. Richards called the roll. The following Board Members and Staff were present:

Board Members Present (NYC Office)

Lisa Gomez, Board – Chair
Gerard Ronski, Esq. – Vice Chair
Beryl L. Snyder, Esq., – Secretary
Wellington Chen – Board Member
Alfonso L. Carney, Jr. – Board Member (*Via Zoom*)
Hon. Robert Rodriguez – Board Member

Board Members Present (Albany Office)

Joan M. Sullivan – Board Member
Ken Evans, Designated Representative of the Commissioner of Health, Board Member (*ex officio*)
Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)

Board Members Present (Buffalo Office)

Janice McKinnie – Board Member

Board Members Absent

Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Senior and Presenting Staff Members Present

Charlie Williams, Vice President
Kimberly Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Sara Potter Richards, Managing Director, Executive Direction
Ricardo Salaman, Deputy General Counsel
Craig Schreivogl, Director, Portfolio Monitoring

Members of the Public also joined via Zoom.

PUBLIC SESSION

Chair Gomez welcomed the Members and Staff to the SESC Annual Meeting.

Election of Officers - Resolution

Chair Gomez directed the Members' attention to the slate of Authorized Officers set forth in the Board materials. They are as follows:

Stanley J. Reed	Assistant Treasurer
Steven Winters-Bona	Assistant Treasurer
R. Nadine Fontaine	Assistant Secretary
Ricardo Salaman	Assistant Secretary
Matthew Moore	Assistant Secretary
Kay M. Edwards	Assistant Secretary
Dena T. Amodio	Assistant Secretary
Frederick W. Clark, III	Assistant Secretary
Valerie Himelewski	Assistant Secretary
Michael Logan	Assistant Secretary

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

A RESOLUTION OF THE SOCIAL EQUITY SERVICING CORPORATION ELECTING
OFFICERS OF THE CORPORATION

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

Minutes of the April 12, 2023 Meeting

Upon a motion by Ms. McKinnie and a second by Mr. Rodriguez, the minutes of the April 12, 2023 SESC Board Meeting were approved unanimously.

SESC By-Laws – Amendment

Chair Gomez asked SESC Governance Committee Chair Snyder to describe the items before the SESC Board for approval. Ms. Snyder reported that at the Committee Meeting the prior afternoon, the SESC Governance Committee conducted its Annual review of the subsidiary's By-Laws, Mission Statement, Performance Measures and Metrics to Quantify Performance Goals. She stated that neither Staff nor the Governance Committee is recommending any changes to the Mission Statement or the Performance Measures and Metrics to Quantify Performance Goals at this time. She noted these items are subject to Committee Review only and no Board action is required.

Ms. Snyder stated that Staff recommends, and after discussion the Governance Committee agrees, that section 4.1(I) of the SESC By-Laws should be amended to remove the position of Second Vice President to the Subsidiary. She noted that clean and blacklined copies reflecting the change are included in the Board materials.

Mr. Rodriguez moved approval the following entitled Resolution:

A RESOLUTION OF THE MEMBERS OF THE SOCIAL EQUITY SERVICING CORPORATION

(A SUBSIDIARY OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK)
APPROVING THE AMENDMENT OF SECTION 4.1(I) OF THE SESC BY-LAWS
REGARDING THE IDENTIFICATION OF A SECOND VICE PRESIDENT

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

Vice President's Report

Vice President Williams asked General Counsel Nadine Fontaine to provide an overview of the activities of the Subsidiary over the past year. Ms. Fontaine first summarized the history and purpose of the SESC subsidiary. She stated that DASNY was authorized to create the subsidiary pursuant to statute on April 8, 2022, and that the DASNY Board approved its creation on June 24, 2022. Ms. Fontaine further stated that the purpose of the subsidiary is to act as agent to the New York State Social Equity Investment Fund and its operating entities, the NYSECIF operating entity and the NYSECIF Leasing Company.

Ms. Fontaine stated that in its capacity as Agent, SESC assists the Fund in identifying properties, entering into leases with landlords, entering into sub leases with Social Equity licensees that have been duly selected by the Office of Cannabis Management and the Cannabis Control Board to serve as to operate conditional adult use retail dispensaries. She further stated that in addition to entering into sub-leases with social equity licensees, SESC is also responsible for servicing loans and reimbursement agreements with the social equity licensees as subtenants. Ms. Fontaine informed the Members that SESC is also responsible for identifying the design/build construction teams to manage construction of the Conditional Adult Use Recreational Dispensaries, and for providing general operational and administrative support services in connection with those properties. She emphasized that these activities are undertaken solely as Agent to the Fund.

Ms. Fontaine reported that since the creation of the SESC subsidiary, identifying and locating properties for participation in this program has been a significant undertaking. She stated that SESC engaged the commercial real estate firm CBRE to identify potential locations, and CBRE initially identified approximately 10,000 locations throughout the State. Ms. Fontaine explained that the initial pool was narrowed down to 350 properties, and negotiations then commenced to identify eligible properties. She added that SESC also assisted the Fund in identifying a point of sale system provider and was responsible for the procurement to identify 10 design build teams to provide the construction and fit out of the cannabis dispensaries.

Ms. Fontaine informed the Members that since that time, the program has been plagued by excessive litigation and injunctions and as a result, the execution of leases was delayed. She explained that the first injunction prohibited CAURD facilities in 5 regions: Brooklyn, Central New York, the Finger Lakes, Western New York, and Hudson Valley. Ultimately, the Court narrowed the injunction to the Finger Lakes region, but the pendency of the litigation impacted the ability to move forward. She stated that as a result, fewer sites remained available as landlords were concerned about committing to the program. Ms. Fontaine further stated that at the same time, the Fund and SESC did not want to execute additional leases in the event that a permanent injunction was granted. Ms. Fontaine noted that other legal proceedings were brought as well.

Ms. Fontaine reported that 24 leases have now been executed; construction has been completed, or is near completion at 20 of the locations; there are 10 sites that are currently open and operating and another 10 are expected to be open this spring or early summer.

Ms. Fontaine stated that reimbursement loan documents will be entered into between the Fund and the licensees to cover the cost of construction and any additional reimbursement fees for each site. She noted that SESC serves as Agent to the Fund in all of the executed documents.

Ms. Snyder moved adjournment of the meeting, Mr. Chen seconded the motion and the meeting was adjourned at approximately 12:09 p.m.

Respectfully submitted,

Ricardo Salaman
Assistant Secretary

DRAFT