

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a Empire State Development**

**BOND FINANCE COMMITTEE MEETING
August 21, 2013**

MINUTES

New York State Urban Development Corporation, d/b/a Empire State Development (“ESD”), held a Bond Finance Committee Meeting at ESD’s Office at 633 Third Avenue, New York, New York 10017.

Members Present: Kenneth Adams
Anthony Albanese (via video conference), designee for Superintendent,
Department of Financial Services
Derrick Cephas
Robert Dyson

Present for ESD: Jonathan Beyer, Senior Counsel
Robert Godley, Treasurer
Peter Heilbrunn, Senior Director, Debt Management
Eileen McEvoy, Corporate Secretary
Mehul Patel, Chief of Staff
Frances Walton, Chief Administrative and Financial Officer

The meeting was called to order at 10:25am.

Ms. Walton explained that the purpose for the meeting was to request that the committee authorize ESD to submit an application to the Public Authorities Control Board in connection with the proposed issuance of State Personal Income Tax Revenue Bonds, and to approve the appointment of bond counsel and a financial advisor.

Ms. Walton further explained that the bonds are authorized by multiple project acts, as amended and supplemented, the related appropriation acts, as amended and supplemented, and the Tax Revenue Act. Under the project acts, ESD is authorized to assist in the financing of other agency projects, including street and highway improvements, and highway and bridge capital programs. In the past, the New York State Thruway Authority issued bonds to fund these projects. However, in response to a recommendation of the SAGE Commission, the State has determined that two entities (the Dormitory Authority and ESD) will issue State-supported

debt going forward in the interest of efficiency. The bonds will be issued as a fixed-rate debt in an amount not to exceed \$1.402 billion.

Ms. Walton also asked committee members to approve the appointment of Squire Sanders LLP and D. Seaton and Associates as bond counsel for the transaction. Squire Sanders LLP was recently appointed to the Corporation's pre-approved list of counsel, and D. Seaton and Associates is a certified MWBE that has served as co-counsel with Squire Sanders LLP on multiple transactions.

Finally, Ms. Walton asked committee members to approve the appointment of PRAG to serve as financial advisor on the transaction. Because it is anticipated that the transaction will be competitively sold, a financial advisor is needed to assist the appropriation in structuring the transaction. PRAG was selected through an RFP process sent to firms on the Corporation's pre-approved list.

A discussion followed regarding the purposes for which the bonds will be issued, the issuance of State-supported bonds by two entities (instead of five), the funding sources for such bonds, and the role of the Department of Transportation to certify that expenses reimbursed with bond proceeds are in accordance with the bond documents prior to the Trustee making payments. Mr. Adams also pointed out that issuing these bonds benefits the Corporation, as bond fees constitute revenue and their issuance plays a role in economic development.

There being no further comments or questions, and upon motion duly made and seconded, the resolution regarding the items discussed was unanimously adopted.

The meeting was adjourned at 10:45am.