

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members  
200 Liberty Street, 24<sup>th</sup> Floor  
New York, NY 10281  
June 25, 2025

Members Present

Don Capoccia, Chairman  
Martha Gallo, Vice Chair  
Anthony Kendall, Member  
Angela Sung Pinsky, Member  
Clinton Plummer, Member

Authority Staff in Attendance: Raju Mann, President & CEO  
Allie Atlas, Chief of Staff  
Sharmila Baichu, Chief Human Resources Officer  
Marie Baptiste, Deputy Treasurer  
Daniel C. Carmalt, Esq., Chief Construction Counsel  
Terence Cho, Vice President of Real Estate  
Claudia Filomena, Senior Director of Capital Projects and Resiliency  
Pamel Frederick, Chief Financial Officer/Treasurer  
Megan Hood, Deputy General Counsel, Real Estate  
Angela Howard, Vice President of Construction & Site Management  
Craig Hudon, Vice President of Parks Programming  
Elaine Kleinberg, General Counsel  
Karl Koenig, Controller  
Eirc Munson, Chief Operating Officer  
Lauren Murtha, Paralegal/Assistant Corporate Secretary  
Jahmeliah Nathan, Vice President of Administration and Senior  
Advisor for Diversity Contracting  
Jason Rachnowitz, Deputy Controller  
Kimberlae Saul, Vice President Planning & Design  
Nicholas Sbordone, Vice President of Communications and Public  
Affairs  
Yves Veve, Senior Director of Infrastructure

Others in Attendance: Paul Hennesey, AJ Gallagher  
Noreen White, Acacia (video)  
Various members of the public

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:06 pm.

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The first item on the agenda was a request for approval of the minutes of the May 29, 2025 meeting.

Upon a motion made by Mr. Plummer and seconded by Ms. Gallo, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES OF THE MAY 29, 2025 MEETING**

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on May 29, 2025, are hereby approved.

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One comment was submitted by the public during the period of public comment.

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Mr. Kendall joined the meeting at 2:24 pm.

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The next item on the agenda, presented by Ms. Frederick, was approval of a Debt Management Policy.

Ms. Frederick began by presenting the Debt Management Policy, which will replace existing Guidelines of the Battery Park City Authority for the Sale and Reporting of Battery Park City Authority Bonds, which were approved by the Board on December 14, 1994. The proposed changes will make the Policy more consistent with current market practices and policies, both in the State and as well as the City. She further explained that this Policy would be used as a guide while structuring bond issuances and making selections of underwriters, private placement agents and professionals, but noted that Board approval would still be necessary for the full package of any issuance – the cost of issuance, principal advisors and deal structure. Ms. Frederick noted that Noreen White, principal of Acacia, the Authority’s financial advisor, assisted in creating the Policy.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Plummer, the following resolutions were unanimously adopted:

**ADOPTION OF DEBT MANAGEMENT POLICY**

BE IT RESOLVED that the Debt Management Policy (the “Policy”), substantially in the form presented at this meeting, be and hereby is approved and adopted; and be it further

RESOLVED, that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file the Authority’s Debt Management Policy with the Minutes of this meeting; and be it further

RESOLVED, that the President of the Authority or his or her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the adoption and implementation of the Policy, and any such actions heretofore taken with respect

to the Policy are hereby ratified and approved.

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The next three items on the agenda, presented by Angela Howard, related to the South Battery Park City Resiliency (“SBPCR”) Project, including: (1) Authorization to Amend Contract with E.W. Howell Co., LLC for the Wagner Park Pavilion Construction Project, (2) Authorization to Amend Contract with Battery Park Constructors for Increased Field Order Allowance for the Pier A Plaza Sitework and Near Surface Isolation Project, and (3) Authorization to Amend Contract with LiRo Program and Construction Management, PE PC.

Ms. Howard first presented the amendment for E.W. Howell Co., LLC in the amount of \$2,500,000 to cover an increase in the SBPCR Project allowance. She explained that the allowance has been used as a mechanism to process change orders, noting that driving factors of the change orders on the Wagner Park Pavilion include the fit-out of the community room, cleaning of architectural concrete and modifications on structural items. The proposed amendment will update their contract to \$72,813,459. She reported that that contract is tracking about 9.7% in contingencies.

The second item related to the SBPCR Project, she continued, is an amendment to the contract with Battery Park Constructors. She explained that this amendment will increase their contract allowance by \$4.5 million and noted that the driving factors for the amendment are due to latent factors with respect to the underground work. The amendment will bring their contingency to about 10.7%, she reported.

The last item on the SBPCR Project, she stated, is for LiRo Program and Construction Management, PE PC, who oversee the construction at all three packages on the SBPCR Project, which amendment, for \$2,904,978, is needed strictly because of the extension of time.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Kendall, the following three resolutions were unanimously adopted:

**AUTHORIZATION TO AMEND THE AGREEMENT WITH E.W. HOWELL CO., LLC (“E.W. HOWELL”) FOR THE SOUTH BATTERY PARK CITY RESILIENCY PROJECT: WAGNER PARK PAVILION CONSTRUCTION (THE “PROJECT”)**

BE IT RESOLVED, that in accordance with the materials submitted at this Board meeting, the President and Chief Executive Officer (the “President”) of the Battery Park City Authority (the “Authority”) or his/her designee(s) be, and each of them hereby is, authorized and empowered to amend the contract (the “Contract”) with E.W. Howell to a) increase the Contract’s Field Order Allowance current value by a not-to-exceed amount of \$2,500,000, from the not-to-exceed amount of \$3,500,000 to the not-to-exceed amount of \$6,000,000; and b) increase the total value of the Contract from \$70,313,459 to \$72,813,459; and c) extend the Contract End Date to March 31, 2026; and, be it further,

RESOLVED, that the President or his/her designee(s), and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such

changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Amendment; and be it further,

RESOLVED, that the President or his/her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified, and any actions hereafter taken are confirmed and approved.

**AUTHORIZATION TO AMEND THE AGREEMENT WITH BATTERY PARK CONSTRUCTORS FOR THE SOUTH BATTERY PARK CITY RESILIENCY PROJECT: PIER A PLAZA SITEWORK AND NEAR SURFACE ISOLATION**

BE IT RESOLVED, that in accordance with the materials submitted at this Board meeting, the President and Chief Executive Officer (the “President”) of the Battery Park City Authority (the “Authority”) or his/her designee(s) be, and each of them hereby is, authorized and empowered to amend the contract (the “Contract”) with Battery Park Constructors to: a) increase the Contract’s Field Order Allowance current value by a not-to-exceed amount of \$4,500,000, from the not-to-exceed amount of \$7,500,000.00 to the not-to-exceed amount of \$12,000,000; and b) increase the total value of the Contract from \$77,093,000 to \$81,593,000, in order to cover approved and proposed Extra Work by Battery Park Constructors; and, be it further,

RESOLVED, that the President or his/her designee(s), and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Amendment; and be it further,

RESOLVED, that the President or his/her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified, and any actions hereafter taken are confirmed and approved.

**AUTHORIZATION TO AMEND A CONTRACT WITH LIRO PROGRAM AND CONSTRUCTION MANAGEMENT, PE P.C. FOR SOUTH BATTERY PARK CITY RESILIENCY PROJECT CONSTRUCTION MANAGEMENT SERVICES TO EXPAND THE SCOPE OF WORK, INCREASE THE CONTRACT VALUE, AND EXTEND THE CONTRACT TERM**

BE IT RESOLVED that, in accordance with the materials presented at this meeting, the President and Chief Executive Officer (the “President”) of the Battery Park City Authority (the “Authority”) or her/his designee(s) be, and each of them hereby is, authorized and empowered to amend the contract with LiRo Program and Construction Management, PE P.C. for South Battery Park City

Resiliency Project Construction Management Services to amend the contract's scope of work, to increase the contract amount by \$2,904,978.00, from the not-to-exceed amount of \$11,212,841.11 to the not-to-exceed amount of \$14,117,819.11, and to extend the contract term from September 30, 2025 through May 31, 2026; and be it further,

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the amendment on behalf of the Authority, subject to such changes as the officer or officers shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the amendment; and be it further,

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, presented by Ms. Howard, was an authorization to enter into a Contract with LiRo Program and Construction Management, PE P.C. (d/b/a LiRo-Hill) for Construction Management / Owner's Representative Services.

Ms. Howard began by explaining that an RFP was issued for Construction Management / Owner's Representative Services to advocate on behalf of the Authority during the construction phase of the Northwest Resiliency Project. Following a review of the five RFP responses and related interviews, the selection committee's recommendation is to enter into a contract with LiRo Program and Construction Management, PE P.C. (d/b/a LiRo-Hill) in the amount of \$27,794,134.37.

Mr. Capoccia noted being pleased "...that we are on time in the South," and stated one of the contributing factors was "LiRo" and their lead project manager, Laura Gray.

Upon a motion made by Mr. Petracca and seconded by Mr. Plummer, the following resolutions were unanimously adopted:

**AUTHORIZATION TO ENTER INTO A CONTRACT WITH LIRO PROGRAM AND CONSTRUCTION MANAGEMENT, PE P.C. FOR NORTH/WEST BATTERY PARK CITY RESILIENCY CONSTRUCTION MANAGEMENT/OWNER'S REPRESENTATIVE SERVICES**

BE IT RESOLVED that, in accordance with the materials presented at this meeting, the President and Chief Executive Officer (the "President") of the Battery Park City Authority (the "Authority") or her/his designee(s) be, and each of them hereby is, authorized and empowered to enter into a contract (the "Contract") with LiRo Program and Construction Management, PE P.C. for North /

West Battery Park City Resiliency Project Construction Management / Owner's Representative Services in the total not-to-exceed amount of \$27,794,134.37; and be it further,

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Contract; and be it further,

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, presented by Mr. Munson, was an authorization to accept the 2025-26 Insurance Program, and authorization to pay the related insurance premiums.

Mr. Munson began by mentioning that, each year prior to June 30th, the Authority markets its insurance policies, working with the New York State Office of General Services Bureau of Risk and Insurance Management, and their brokers of record. Across our 13 areas of coverage, he continued, 12 of them are represented by A.J. Gallagher, and the 13<sup>th</sup> is by Alliant, for fine arts property coverage. They market the Authority's policies to an array of carriers, which he reported, particularly for Property and General Liability, and then present recommended programs to bind, pending Board approval.

The property policies have seen some softening in the market, he reported, so there were some material decreases in the premium amount year over year. On General Liability and Umbrella insurance, there were some increased claim values compared to the claim values at this time last year, around 6% increase year over year. There is an array of other insurance policies which have experienced a slight decrease as well, he noted. In the aggregate, he continued, the overall insurance program premiums decreased by just under \$200,000 (or 3%) year over year. The one caveat he noted was that the Wagner Park Pavilion building, which is currently on a builder's risk policy, will be added to the Authority's policies later. The Members were then requested to accept the 2025-26 Insurance Program and to authorize the payment of insurance premiums in a total amount of \$6,339,941.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Kendall, the following resolutions were unanimously adopted:

**AUTHORIZATION TO ACCEPT THE 2025-26 INSURANCE PROGRAM,  
AUTHORIZATION TO PAY THE RELATED INSURANCE PREMIUMS**

BE IT RESOLVED, that the Members hereby authorize the President and Chief Executive Officer (the "President") of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to accept the 2025-26 Insurance Program and to authorize the payment of the insurance premiums in the total amount not to exceed \$6,339,941 subject to such changes as the officer or officers, with the advice of counsel, shall approve as necessary and appropriate and in the best interest of the Authority; and be it further

RESOLVED, that the President of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute any documents, file said budgeted and related information with all parties as required pursuant to all outstanding bond resolutions, agreements and requirements of law and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolution, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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Ms. Gallo made a motion to enter Executive Session, which was seconded by Mr. Plummer, to discuss negotiations related to the lease of real property, the publicity of which could substantially affect the value of the relevant properties. The Members entered Executive Session at 2:25 p.m.

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There being no further business, upon a motion made by Ms. Gallo and seconded by Mr. Kendall, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 4:45p.m.

Respectfully submitted,

*Lauren Murtha*  
Lauren Murtha

**Public Comment**  
**June 25, 2025**

1. **Justine Cuccia**: Justine Coccia coming to you as the President of the Homeowner's Coalition in Battery Park City. And first of all, I want to thank Raju for taking the time to meet with me last week. We had a really lovely conversation. Much of the time we agreed to disagree on everything, but that's okay. That's part of the deal. And it was respectful. It was informative, and I think it was a really great meeting. So thank you, Raju, and let's keep it coming. Something else I want to say is I want to commend the Battery Park City Authority, this Board, the whole Authority for getting Wagner Park opened within the two years or so as promised. Kudos. Congratulations. That's noticed. And one of the things that came out of the conversation with Raju was that the Authority really wants to work with the community as a partnership, have open communication, transparency, and I think that's wonderful. And I think that part of the deal of what I think I bring to the table as the new President is a sense of reason and calmness, and let's talk, let's work, let's figure out where we have common ground and push it, and where we don't have common ground, let's see where we can maybe find some meeting of the minds. That said, with the transparency and the partnership, I will note that this Board picked July 28th or 29th, whatever it was, the Tuesday for your opening of Wagner Park big party, the same night as the CB One full Board meeting. We moved the Board meeting because this is so important for us, so yeah. So anyway, you know, strike against you for not paying attention for that, but we did it. We took care of it on our end and that's partnership. So I just want to say going forward thank you. I look forward to more collaborations, more meetings of the minds, and maybe next meeting we can agree on more. Take care. Thank you all. And I was fast, see? I made it on time.





## DEBT MANAGEMENT POLICY As of June 25, 2025

### I. INTRODUCTION

The purpose of this policy is to establish general guidelines and an administrative framework for debt issuances by the Battery Park City Authority (the “Authority”). The considerations below are consistent with the New York State Public Authority Law (“PAL”) and other applicable laws and incorporate further controls to achieve the Authority’s policy objectives. Approval by the Authority’s CEO and President and the Board of Directors is required for the issuance, refunding, or restructuring of bonds or any other debt instrument and are effective as of the date hereof and as may be amended and further approved from time to time. Additionally, the Settlement Agreement, as may be amended, requires approval by the Authority, New York City Mayor, and the New York City Comptroller for the issuance of Authority debt.

### II. METHOD OF SALE

All new Authority debt shall comply with all statutory requirements and this Debt Management Policy, including the bond authorization granted by the State of New York.

The Authority shall select a method of sale from among the following:

- A. **Competitive Sale** - Competitive bond sales may be used by the Authority, market conditions permitting, if it is determined to be in the best interest of the Authority. Competitive bond sales may allow the Authority to achieve a pricing benefit and to provide a benchmark for bonds sold on a negotiated basis. Bid specifications, basis of award, and other requirements shall be provided in a Notice of Sale. It should be noted that a competitive sale will not permit the Authority to benefit from retail orders.
- B. **Negotiated Sale** – Negotiated bond sales may be used by the Authority if it is determined to be in the best interest of the Authority. Factors influencing the choice of a negotiated sale can include volatile market conditions, complex or unique structuring considerations and to market bonds directly to retail investors. The managing underwriters shall be selected in accordance with Section VI.
- C. **Direct Placement** - The Authority may use a direct placement or private sale when the economic benefit or timing of this approach is expected to provide a benefit to the Authority that could not be achieved in a public sale. The Authority may select a direct placement or private sale, with the selection of the placement agent or

purchasing entity (e.g. bank) for the bonds to be made in accordance with Section VI.

### III. FIXED RATE AND REFUNDING BONDS

- A. **Tax-Exempt Bonds** - The Authority aims to finance its capital program on a tax-exempt basis to the extent permitted by federal tax laws and regulations. The Authority has in place post-issuance compliance procedures to ensure compliance with such laws and regulations to maintain the tax-exempt status of its bonds.
- B. **Taxable Bonds** - For capital purposes ineligible for tax-exempt financing, or where market rates can offer structural or pricing advantages, the Authority may issue taxable bonds. The Authority may also issue taxable bonds for refunding purposes, if in the best interests of the Authority.
- C. **Maturity** - Tax-exempt debt shall be issued with a final maturity no longer than permitted under the IRS Code for the useful life or lives of the capital projects to be financed and consistent with State law. For taxable bonds, the Authority will determine the final maturity that is in the best interests of the Authority.
- D. **Refundings** - The refunding of Authority debt will be considered when the Authority will achieve a 2% net present value (NPV) savings or greater threshold, on an aggregate basis, based on the par amount of the refunded bonds and when the net present value savings (NPV) are greater than the negative arbitrage (if any) produced by the defeasance of the refunded bonds. Additionally, the Authority may elect to consider a debt restructuring when it is in the financial interest of the Authority.
- E. **Negative Arbitrage** - The Authority will optimize execution of the structuring of refunding escrows to minimize negative arbitrage.
- F. **State Bond Issuance Charge (BIC)** - The evaluation of refunding opportunities shall be conducted in a manner which excludes the cost of the BIC. Therefore, if the BIC applies to a refunding transaction, it shall not be factored in as a cost of issuance with respect to total NPV savings requirement calculations. Consistent with the approach, the BIC should be counted as NPV savings to neutralize its negative impact on NPV savings.
- G. **State and Local Government Securities (SLGS)** - SLGS, if available, are considered the preferred investment if it is possible to meet the arbitrage yield in a refunding escrow. If the arbitrage yield cannot be met with SLGS or the SLGS window is not open and if open market securities can produce a lower escrow cost, U.S. Treasury Securities and other open market securities can be considered, consistent with the investment restrictions in the bond resolution and the bidding requirements of the escrow.
- H. **Variable Rate Restructurings** - Restructurings of variable rate bonds, including bonds that have a synthetic fixed rate structure when including the use of a swap,

shall be undertaken as needed to manage the Authority's overall risks including to reduce exposure to swap counterparties. If any variable rate or stepped-coupon bonds are included in a refunding transaction, savings shall be calculated to be neutral on a present value basis (i.e., the assumed refunding bonds interest rate shall equal the assumed yield on the refunding bonds for the same maturity).

- I. **Optional Redemption** - The Authority typically sells both tax-exempt and taxable bonds maturing after eleven years or longer with a par call date no later than 10.5 years from the date of issuance. While there shall be a preference in favor of issuing bonds with a 10-year par call, the Authority may issue non-callable bonds or bonds with a call date shorter or longer than 10.5-years upon a determination that such issuance is in the best interest of the Authority. The Authority may choose to sell taxable bonds or tax-exempt bonds with a make-whole call provision applicable until the earlier of the par call date or maturity.

#### IV. VARIABLE RATE INSTRUMENTS

- A. **Consideration** - When considering the use of variable rate debt, the Authority shall consider the "all-in" cost of funds, the current interest rate environment, market dynamics for different forms of variable rate debt, and other relevant factors.
- B. **Instrument Type** - The Authority seeks to issue variable rate debt in such amounts as deemed necessary and/or beneficial to provide funding for capital projects or refund existing obligations. Such debt includes, but is not limited to, Variable Rate Demand Obligations ("VRDBs"), Adjustable Rate Remarketed Securities ("ARRS"), and Floating Rate Notes. Variable rate debt allows the Authority to take advantage of rates on the shorter end of the yield curve for longer-term bonds and to diversify its offerings in the market. The Authority may use short-term financing instruments, including but limited to lines of credit and revolving loans, for purposes of temporary capital project financing.
- C. **Policy Limits** - The Authority will seek to maintain its unhedged variable rate exposure to be no more than 20% of total debt outstanding debt, excluding any Revolving Credit Facilities use for short term borrowings. This is viewed as prudent based upon current credit and market related factors but could be reviewed and adjusted based upon future market and credit conditions.
- D. **Liquidity Provider and Credit Support** - For VRDBs and other variable rate long term debt that contains a put feature, the Authority may use liquidity facilities to protect against remarketing risk. The Authority will engage facilities with the highest possible credit rating that provides the optimal balance between costs and benefits on such variable rate debt.
- E. **Remarketing Agent** - The Authority may appoint the broker-dealer affiliated with the bank providing the liquidity for an issue of VRDBs, or other demand variable rate product, as the remarketing agent. However, the Authority may select other remarketing agents at its discretion for competitive pricing or other advantageous

deal structuring purposes. The Authority may also make remarketing assignments based on performance of the remarketing agents of comparable liquidity banks, brokers, or dealers, the par amount of the liquidity facilities provided to the Authority by the affiliated bank of such remarketing agents, if applicable, the concentration/diversification of remarketing agents, and other metrics as applicable. The Authority monitors the performance and financial capabilities of its remarketing agents and may change assignments based on those considerations as appropriate.

## **V. INTEREST RATE EXCHANGE AGREEMENTS**

- A. **Derivatives Policy** - The Authority adopted Guidelines for Interest Rate Exchange Agreements (“Derivatives Guidelines”) and the use of a Qualified Independent Representative, as may be amended. It is consistent with and reflective of PAL and the Authority’s statute.

### [Guidelines for Interest Rate Exchange Agreements](#)

- B. **Interest Rate Derivative Use** - The Authority does not have any outstanding derivatives but will consider their use when deemed beneficial to mitigate interest rate risk, which such use shall be in adherence with the Derivatives Guidelines, as may be amended.
- C. **Basis Risk** – When applicable and authorized under the Derivatives Guidelines, basis risk will be analyzed and risk mitigation measures, including derivatives such as basis swaps and other measures will be considered.
- D. **Interest Rate Swaps** - When applicable and authorized under the Derivative Guidelines, interest rate swaps should result in an overall cost that is more cost effective than the all-in cost of traditional fixed rate or variable rate debt, depending upon the risk mitigation objective.

## **VI. SELECTION OF MANAGING UNDERWRITERS, PRIVATE PLACEMENT AGENTS AND OTHER DEBT PRODUCT PROVIDERS**

The Authority shall select the underwriters or private placement agents for a sale of publicly offered bonds or private sales. The following general procedures shall be followed:

- A. **Requests for Proposals (RFP) for Specific Financings** - The Authority may issue an RFP to firms, its pre-qualified panel of managing underwriters, or placement agents to solicit specific ideas and recommendations.
- B. **Establishment of Pre-Qualified Underwriters** - The Authority may issue an RFP or Request for Qualifications (RFQ) for managing underwriters and/or placement agents from investment banking firms with experience in the structuring and marketing of tax-exempt and taxable bonds. The criteria used in evaluating each underwriting firm may include, but need not be limited to, (1) the firm's financial

strength or net capital including any that may have been used to support the Authority's bonds, (2) the firm's presence in New York, (3) the firm's ability to support the Authority's bond issues, (4) the firm's ethical standards and practices, (5) the firm's ongoing coverage and services provided, (6) orders filled by the firm for the Authority's bond issuances, (7) experience effectuating a public or private placement in a cost-effective and timely manner, and (8) the Authority's policy goals in the utilization of minority-owned and women-owned business enterprises ("MWBEs") and service-disabled veteran owned businesses ("SDVOBs"). The Authority shall compile a qualified list of potential managing underwriters (the "Pre-Qualified Underwriters"), which shall be subject to review, amendment, and approval by the Members.

- C. **Selection of Managing Underwriters for Public Negotiated Sales and Placement Agents for Private Sales** - The Authority shall approve the selection of managing underwriters or placement agents for a specific bond issue from its Pre-Qualified Underwriters, otherwise the Members shall approve such selection, to be sold through public negotiated sale or private sale, generally taking into account the following factors: (1) inclusion on any pre-qualified panel; (2) responses to a RFP, if any; (3) support provided to the Authority through the general marketing of Authority bonds and/or assistance in the development of new financing programs; (4) the use of MWBE and SDVOB firms; (5) the firm's ongoing coverage and services provided; and (6) such other factors that are deemed relevant to the particular bond issue.
- D. **Syndicate Rules** - The priority of orders, designation policy, and underwriter compensation, including takedown, expenses, and any structuring fee, are to be determined in the sole discretion of the Authority and reflect then current market conditions.
- E. **Monitoring, Removal and Suspension** - Firms that have not performed well or have committed any recent violation of MSRB rules, SEC rules, the Authority's order period rules, or similar rules or regulations which, as determined by the Authority are significant, are subject to removal or suspension. A firm may have the opportunity to resume participation in bond sales, as solely determined by the Authority, after the suspension period has lapsed and any violations have been addressed.
- F. **Direct Placements** - In certain cases, the Authority may enter into direct purchases of bonds with lending institutions (e.g. banks) when such transactions may result in cost savings to the Authority, or to fill a particular structuring or credit need, including for instance the use of floating rate index bonds and revolving credit facilities.
- G. **Public Authorities Control Board ("PACB") Approval** - Pursuant to PAL, all new bond issuances are subject to the approval of the State Comptroller, which is obtained by approval of the PACB. Outstanding bonds being reoffered are not subject to State Comptroller approval.

## VII. SELECTION OF ANCILLARY PROFESSIONALS

**A. Professional Services** - The Authority shall retain the right to appoint ancillary professional services relating to a debt issuance (e.g. municipal advisor, bond counsel, real estate advisor, financial printing services, trustee services, escrow agent services, escrow bidding agent services, verification services, etc.) without direction of the Members, subject to President or CEO approval. All costs associated with the use of such ancillary service will be eligible as included bond cost of issuance (“COI”) and paid from bond proceeds to the extent practicable.

**B. Fees** - The payment of transactional-based, professional fees is generally subject to the successful executions of a bond issuance, or related transaction, subject to the terms of the respective contractual agreements with those professionals.

**C. Takedowns** - As shown on the right, and as may be updated periodically upon Board approval and posted to the Authority’s website, the Authority’s standard takedown schedule will be used as a guide for all standard fixed rate bond deals.

Standard Takedown Scale	
<i>Maturity</i>	<i>Takedown</i>
1	Sealed Bid or \$1.25
2	\$2.50
3	\$2.50
4	\$3.75
5	\$3.75
6	\$3.75
7	\$3.75
8	\$3.75
9	\$3.75
10+	\$4.50

**D. Structuring Fees** - At the Authority’s discretion, and in recognition when extraordinary incremental structuring and analytical work is performed by the senior underwriter, a structuring fee may be paid and included as part of the underwriters’ discount.

**E. Arbitrage Rebate Compliance** - The Authority retains an arbitrage rebate advisor to perform calculations necessary to analyze its ability to comply with the arbitrage rebate compliance requirements set forth in the Internal Revenue Code of 1986, as amended. Payment of negative arbitrage, when and if due, can be paid from interest earned on bond funds, subject to the Bond Resolution, or when such funds are not sufficient from operating funds.

## VIII. REPORTING AND DISCLOSURE

The Authority currently discloses information through the following:

**A. Annual Financial Statement (“AFS”)** - The AFS is the principal means for disclosing financial and other pertinent information. Additional information is filed with the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (EMMA) system, which can be accessed at:

[EMMA - BPCA Issuer Homepage](#)

- B. Continuing Disclosure** - The Authority has adopted policies and procedures relating to its Continuing Disclosure Undertakings pursuant to Rule 15c2-12, as may be amended. The Authority will amend such policies and procedures as required by any applicable amendment of Rule 15c2-12. Consistent with the applicable provisions of Securities and Exchange Commission Rule 15c2-12, the Authority will annually update certain financial information and provide timely notice of certain enumerated events (as defined by the SEC). The Authority's continuing disclosure filings are available online at:

[EMMA - BPCA Issuer Homepage](#)

**C. Credit Ratings -**

- a. The Authority's debt is currently rated by Moody's and Fitch. Ratings from at least two credit rating agencies should be obtained for each public bond issue, unless circumstances warrant otherwise.
- b. The credit rating agencies shall have been designated as nationally recognized statistical rating organizations by the Securities and Exchange Commission.
- c. The municipal advisor, at the request of the Authority and in coordination with the senior bond underwriter, engaged for each bond transaction shall be responsible for soliciting ratings and communicating relevant bond sale documentation and information to the rating agencies to obtain ratings before the time of pricing.

**IX. MISCELLANEOUS PROVISIONS**

- A. Compliance with Policies** - Compliance with these policies, as amended, shall be evidenced by the Authority's Board approval of such bond issuance and shall not require additional written certification.
- B. Effect upon Existing Authority Contracts** - This Policy shall not abrogate the rights and duties of the Authority's contracts with third parties executed prior to the Effective Date of these Guidelines.

**X. EFFECTIVE DATE**

**Effective Date** - These Guidelines and any subsequent amendments thereto shall take effect upon their adoption by the Authority's Board.