

[Subject to Board of Directors approval]

**UNITED NATIONS DEVELOPMENT CORPORATION**

Minutes of a Meeting of the Board of Directors

Held at Two United Nations Plaza, 27th Floor

New York, New York

On March 20, 2024 at 2:00 p.m.

The following directors, constituting a quorum, were present:

George Klein, Chairman

Robert Abrams

Adolfo Carrión, Jr. (represented by Ahmed Tigani)

Christine Falvo

Daniel Garodnick (represented by Azka Mohyuddin)

Jessica Healy

Amabel James

Edward Mermelstein

Joseph Rutigliano

Joel Silverman

Andy Shenoy

The following persons were also present: Robert Cole, Jorge Ortiz, Robert Schubert, Justin Handman, Anastasiya Lee and Loida Diaz de Jesus (UNDC); Charles Laven (Forsyth Street Advisors); Benjamin Herbst (Goldman Sachs); Ryan Arcadia (Turner Construction); Wayne Mann and Adalgisa Zeppetelli (Cushman and Wakefield Project Management); Robert Drillings and Patrick Valentino (Burgher Gray); and William McKay (Corporate Power, IT consultant). The following persons participated via video conference: Marvin Markus (Siebert Williams); Neil Hood (Fried Frank); Phillip Marciano (Marks Paneth) and Martin Hammond and Alessandra Coscia (PFM Asset Management).

The Chairman presided and Loida Diaz de Jesus acted as secretary for the meeting. The Chairman called the meeting to order at 2:04 p.m.

**Minutes of Meeting of September 7, 2023**

The Chairman asked the Board to consider the minutes of the meeting of September 7, 2023, as previously provided to Board members. On motion made and seconded, the minutes of the September 7, 2023 meeting were approved.

**Election of Officers**

The Chairman stated that the officers of the Corporation are appointed by the Board at the annual meeting, to hold office for one year and until their successors are elected and qualified. The Chairman recommended the reappointment of the officers named below to their current positions.

Robert Cole	Executive Vice President and General Counsel, Secretary
Loida Diaz de Jesus	Vice President
Jorge Ortiz	Vice President, Treasurer

On motion made and seconded, the Board reappointed the above individuals to their current positions, to hold office for one year and until their successors are elected and qualified.

**2023 Measurement Report**

Mr. Cole reviewed the Corporation’s proposed 2023 Measurement Report. The Measurement Report, which is required under the Public Authorities Law, measures the Corporation’s performance each year towards goals described in the Mission Statement. The 2023 Measurement Report was previously discussed with the Governance and Compensation Committee and sent to the Board for its review.

After discussion and on motion made and seconded, the Board approved the Corporation’s 2023 Measurement Report in the form provided to the Board.

**Finance Committee Report**

Mr. Cole reported that the Finance Committee met on March 13, 2024, to review the Corporation’s investment performance for 2023 with investment advisor PFM Asset Management. Mr. Hammond of PFM provided an overview of economic trends and forecasts for the year ahead and discussed the Corporation’s investment performance for 2023. He reported that all of the Corporation’s investments managed by PFM were held in U.S. Treasury securities consistent with the Corporation’s Investment Guidelines, the Indenture for the 2019 bonds and New York State investment requirements for public authorities. He advised that PFM continued to look at permitted investments such as commercial paper but found best value in Treasury securities.

## **Board Consideration of Annual Reports**

Mr. Cole referred to the Corporation's Investment Report for 2023, Report on Prompt Payment for 2023 and Procurement Contract Report for 2023, each as required by the Public Authorities Law. On motion made and seconded, the following resolutions were adopted by the Board:

**RESOLVED, that the Annual Investment Report for 2023, in the form presented at the meeting, be, and it hereby is, approved, ratified and confirmed.**

**RESOLVED, that the Annual Report on Prompt Payment for 2023, in the form presented at the meeting, be, and it hereby is, approved, ratified and confirmed.**

**RESOLVED, that the Corporation's officers are authorized to submit, via the PARIS on-line reporting system, the Annual Procurement Contract Report for 2023, which includes the information presented to the Board of Directors at its meeting on March 20, 2024.**

## **Audit Committee Report**

Mr. Klein reported that independent auditors CBIZ Marks Paneth, reviewed the 2023 audit and the draft financial statements (the "2023 Financial Statements") at the Audit Committee meeting on March 13, 2024.

Mr. Marciano reviewed the 2023 audit. He stated that an unqualified opinion would be issued and that there were no disagreements with management during the audit. Mr. Marciano stated that the audit did not detect any material weaknesses or significant deficiencies in the Corporation's internal control measures.

Mr. Marciano reported that the 2023 Financial Statements included a reserve of \$3,451,657 from amounts that would otherwise be considered Consolidated Surplus for 2023.

Mr. Cole stated that approval of the 2023 Financial Statements and the reserve would be requested later during the Board meeting.

## **Management Report**

Mr. Cole referred to the Management Report dated March 15, 2024. He reported that net revenues for 2023 were \$8,151,600 million, a decrease of \$5,979,400, or 42.3%, as compared to 2022. He advised that, as described in the Management Report, the decrease in net revenues was primarily due to (i) an overall decrease of \$6,528,700, or 14.6% in office space revenues because the UN had vacated 51% of its space at One UN Plaza as of March 31, 2023 as part of the UN's plan to consolidate staff into Two UN Plaza and (ii) an increase in expenses for office space operations (due to a return to typical building services after the Covid pandemic ended) and administrative expenses, reflecting an increase in professional and legal fees related to the

Corporation's leasing and capital improvements program at One and Two UN Plaza. The decrease in net revenues was offset by an increase of \$3,211,800 in interest income.

Mr. Cole reported that, from 2023 net revenues of \$8,151,657 million, the Corporation deposited \$4,700,000 million into the renewal and replacement fund to pay costs for capital improvement projects previously approved by the Board.

Mr. Cole noted that the 2023 Financial Statements included a reserve of \$3,451,657, equal to 100% of the amounts that would otherwise constitute 2023 Consolidated Surplus under the Corporation's leases with the City of New York. He advised that management recommended the reserve to cover capital improvement projects at One and Two UN Plaza, costs related to lease renewals at One and Two UN Plaza and other Corporate purposes.

Following discussion, and on motion made and seconded, the Board unanimously approved the following resolutions:

**WHEREAS, the Corporation's Phase II Lease with the City of New York (the "Phase II Lease") requires that the Corporation pay to the City as additional rent under the Phase II Lease ninety percent (90%) of Consolidated Surplus; and**

**WHEREAS, the Phase II Lease defines Consolidated Surplus as the excess of the Corporation's revenues during a fiscal year over payments for current expenses, debt service and the performance of the Corporation's other obligations under its financing documents, and base rent to the City, less reserves approved by the Corporation's Board of Directors in accordance with the Phase II Lease.**

**NOW THEREFORE, BE IT RESOLVED, that pursuant to the Phase II Lease, establishment of a reserve of \$3,451,657 be and hereby is approved, such reserve to be available for the Corporation to pay costs related to capital improvement projects at One and Two UN Plaza, costs related to lease renewals at One and Two UN Plaza, or other corporate purposes, with such reserve to be established from 2023 net revenues of the Corporation that would constitute, if such reserve were not established, the Corporation's 2023 "Consolidated Surplus," as defined in the Phase II Lease.**

Mr. Cole requested Board approval of the 2023 Financial Statements. On motion made and seconded, the Board approved the 2023 Financial Statements.

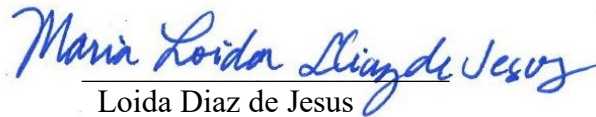
At the Chairman's request and with the Board's approval, the meeting entered executive session to discuss leasing matters. No action was taken by the Board in executive session.

**Other Business**

The Chairman requested that the Board approve a 90-day extension of the UN leases at One and Two UN Plaza to September 30, 2024. On motion made and seconded, the Board approved the 90-day lease extension to the UN leases and authorized the Chairman and Mr. Cole to execute amendments providing for such extensions.

The Chairman asked for Board approval of \$4.5 million for pre-purchasing of equipment with long lead items (cooling towers, switches and other equipment). On motion made and seconded, the Board approved this request.

There being no other business, the meeting was adjourned at 4:05 p.m.



Loida Diaz de Jesus  
Acting Secretary