

**MINUTES OF THE
465th MEMBERS MEETING OF
THE NEW YORK STATE HOUSING FINANCE AGENCY
HELD ON MARCH 12, 2015 AT 8:33 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES

PRESENT:

Steven J. Weiss	Vice Chairman
Nestor M. Davidson	Member
Darryl C. Towns	Member
Elaine McCann	New York State Division of the Budget, representing Mary Beth Labate, Member (via video conference)
Christopher Curtis	New York State Department of Taxation and Finance Representing Commissioner Thomas H. Mattox

ABSENT:

Joyce L. Miller	Member
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Mr. C. Jason Kim, Senior Vice President and Counsel to the Agencies stated that, since Chairman William J. Mulrow has resigned from the various Boards, Darryl C. Towns will preside over the meetings.

Mr. Kim acted as Secretary. He noted that Ms. Elaine McCann from the New York State Division of the Budget, representing Budget Director, Mary Beth Labate, participated in the meetings via video conference from the New York State Division of Budget conference center at the Capitol Building Room 131 in Albany and Ms. Marge Rogatz was attending via video conference from ACT Conferencing at 102 3rd Street Mineola NY 11501. A public notice was given of the time and location of the venue in accordance with the New York State Open Meetings Law.

Mr. Moses Krausz and Ms. Marge Rogatz SONYMA Directors attended this meeting as guests.

Mr. Kim asked for motions and seconds to call to order the March 12, 2015 Members and Directors meetings of the New York State Housing Finance Agency ("HFA") and the State of New York Mortgage Agency ("SONYMA").

HFA Vice Chairman, Mr. Steven Weiss moved to call the HFA meeting to order; Mr. Nestor Davidson seconded the motion; Ms. Marge Rogatz moved to call the SONYMA meeting to order, Commissioner Darryl Towns seconded the motion.

Mr. Kim stated that as items were presented to each Board throughout the meetings, these motions and seconds would be used, unless specific items called for a different vote, or unless any Board member wished to record his or her vote differently.

The meetings of the affiliated Agencies were opened in joint session for the President's report, the adoption of the minutes of previous meetings and consideration of various matters of shared importance. These minutes reflect only those items being considered by the Members of the New York State Housing Finance Agency. A record of items considered by the other Agencies is contained in the minutes of each of the Agencies.

The first item on the agenda was the President's Report. Commissioner Towns noted the resignation of Chairman William J. Mulrow, who is now serving as the new Secretary to Governor Andrew M. Cuomo. He also acknowledged the appointment of Mary Beth LaBate, new Budget Director, at the New York State Division of Budget and wished them well.

Commissioner Towns reported that earlier, in the morning, the Mortgage Insurance Committee ("MIC") approved insurance for ten (10) projects representing 707 units of affordable housing in eight (8) counties across New York State.

He reported that on the multifamily side, today, HFA will be seeking approval for the financing of an 87-unit apartment building called Maple Court Apartments located in Watertown (Jefferson County) and will be asked to approve a revision to the Board resolution for the Hemlock Ridge Preservation Apartments located in Sullivan County.

Commissioner Towns commented that in Albany it is once again budget season. With Governor Cuomo's submission of his executive budget last week, the Assembly proposal put forth this week, and the Senate's proposal expected at any moment, negotiations will soon begin in earnest. Staff is closely monitoring these proposals and their possible effect on the various housing programs on the NYS Division of Housing and Community Renewal of the house and will keep the Members and Directors posted.

Finally, Commissioner Towns announced that last week staff members that included Ted Houghton, Executive Deputy Commissioner, Marian Zucker, President, Finance and Development and Joseph R. Palozzola, Vice President & Assistant Counsel – Intergovernmental Relations, attended the annual National Council of State Housing Agencies Legislative Conference in Washington DC. He said in addition to participating in conference activities, they were able to visit with key housing officials at the U.S. Department of Housing and Urban Development and the United States Department of Agriculture which plays an important role in the financing of rural housing. He said meetings were also had with the staffs of U.S. Senators Charles E. Schumer and Kirsten Gillibrand; also, representatives Charles Rangel, Tom Reed and Nita M. Lowey. He said

at these meetings, each member was presented with a catalog of projects showing the real benefit of the Credit (9%) and Bond (4%) programs within their districts. President Towns said these catalogs present a strong case when asking for their continued support of these very important federal programs.

The next item on the agenda was the adoption of the minutes of the 464th HFA Members' meeting held on January 29, 2015. Absent comments or corrections from the Members, Mr. Kim reported that the minutes were deemed approved.

The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$7,000,000 for Maple Court Apartments, located in the City of Watertown, Jefferson County. Mr. Bret Garwood, Senior Vice President, Multifamily Housing, presented photos and exhibits which highlighted the existing site conditions of the project. He reported that this investment funds the acquisition and rehabilitation of five, three-story buildings known as Maple Court Apartments located in the City of Watertown, Jefferson County. He reported that the project consists of 92 revenue generating residential units, of which 87 units will be set aside for households whose incomes are at or below 60% of the Area Median Income ("AMI") adjusted for family size for Jefferson County.

Mr. Garwood said the investment recommendation is for \$467,244, an estimated annual allocation of 4% "as of right" Federal Low Income Housing Tax Credits ("LIHTCs"). He said the Agency will also be seeking a loan award in the amount of \$2,350,000 from Homes for Working Families. He stated that the City of Watertown will provide a Community Development Block Grant in the amount of \$200,000 and another \$800,000 loan is expected from the Development Authority of North Country. He noted that the seller of the property is unrelated to the borrower.

Mr. Garwood said the 40-year old building which included seven (7) studio units, fifty-five (55) one-bedroom units, twenty-two (22) two bedroom units and eight (8) three-bedroom units is in need of substantial rehabilitation (subject to a Housing Assistance Payment contract). He said the renovation work includes new roofs with insulation, new energy efficient windows, sliding doors, new flooring and painting, etc., which is "not uncommon for preservation properties."

Mr. Garwood reported that the developer is Evergreen Partners. He said Evergreen worked with HFA on the Parkledge Apartments project located in Yonkers in 2003. He said the general contractor will be Lecess Construction Services, LLC who is determined to be qualified by the Agency. He said the letter of credit will be provided by JPMorgan Chase Bank, N.A.

Vice-Chairman Weiss noted that one of the challenges noted in the Development Authority of North Country ("North Country") is Minority and Women-Owned Business Enterprise compliance. Mr. Garwood noted that the North Country is required to provide a utilization plan and comply with it in order to move forward with the project.

Mr. Garwood stated that it was “remarkable how much the City of Watertown has been supportive” of the project.

Considering the first and second motions previously entered, the motions were carried, and the following resolutions were unanimously adopted.

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS MAPLE COURT APARTMENTS.

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2015 SERIES_IN A PRINCIPAL AMOUNT NOT EXCEEDING \$7,000,000.

The next item on the agenda were revised resolutions authorizing the financing for Hemlock Ridge Preservation Apartments, Town of Rockland, Sullivan County. Ms. Marian Zucker, President, Finance and Development reported that the Agency expects to close this transaction by the end of the month. She confirmed that the project has the “back to back” structure that was not mentioned in the resolution resulting in a “technical” amendment.

Considering the first and second motions previously entered, the motions were carried, and the following resolutions were unanimously adopted with the recusal of Vice-Chairman Weiss:

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS HEMLOCK RIDGE PRESERVATION APARTMENTS.

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2017 SERIES_IN A PRINCIPAL AMOUNT NOT EXCEEDING \$9,500,000.

The next item on the Agenda was an information item concerning the HFA Pipeline Report. Ms. Marian Zucker shared with the Members a booklet that Mr. Garwood and the team put together for the Washington, DC presentation. She reported that it contained a four-year summary of activity during President Towns’ tenure, which highlights a significant record of achievement in providing affordable housing. She noted the fact that the map of financed projects showed that just about every county and region in the State has been touched (broken down by congressional district). Ms. Zucker stated that Agency officials were “really proud of the record

of creating housing around the state.” Ms. Zucker noted that currently, the pipeline looks larger than at this time last year. She noted that there are, in particular, five (5) projects in the Agency’s pipeline. She also noted that The Housing Trust Fund has been a recipient of three capital fund awards (through the MRT allocation process) and that also nine (9) projects (a mix of construction preservation and twelve (12) possible 80/20s, three (3) of which are projects that didn’t get completed last year) are also part of the pipeline.

Vice Chairman Weiss asked about the process to ensure coordination between New York City and HFA resources. Ms. Zucker noted that there are ongoing conversations between the City and State and an understanding of the respective roles of HFA and HDC in providing affordable housing. In particular, she noted the continuing cooperation in sharing of recycling resources as relates to volume cap.

Mr. Davidson stated that the Pipeline report was very helpful, and asked a number of question as to portfolio security, mix of project type and the like. He noted that he might have additional questions. Ms. McCann spoke favorably about the report by stating that it was an “excellent” report.

There being no unfinished business, Mr. Kim asked for a motion and a second to adjourn the meeting. Ms. McCann moved to adjourn the meeting; Commissioner Towns seconded the motion, and the meeting was adjourned at 9:12 a.m.

Mr. Kim informed the Members that the next Board meeting is scheduled for Thursday, April 9, 2015, at 8:30 a.m.



C. Jason Kim, Secretary