

**MINUTES OF THE
470TH MEMBERS' MEETING OF THE
NEW YORK STATE HOUSING FINANCE AGENCY
HELD ON SEPTEMBER 10, 2015 AT 8:45 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES

PRESENT:

William C. Thompson	Chairman
Steven J. Weiss	Vice Chairman
Jerry Boone	Member
Nestor M. Davidson	Member
Joyce L. Miller	Member
James S. Rubin	Member
Elaine McCann	New York State Division of the Budget, representing Mary Beth Labate, Member (via video conference)

Chairman William C. Thompson presided over the meeting and welcomed everyone.

Mr. Adam Schuman, Senior Vice President and Counsel to the Agencies, acted as Secretary. He noted that Ms. Elaine McCann, representing Budget Director, Ms. Mary Beth Labate was participating in the meeting via video conference from the NYS Division of the Budget conference center at the Capitol Building, Room 131, in Albany and Ms. Bethaida Gonzalez was participating in the meeting via video conference from the Syracuse Regional Office, 620 Erie Boulevard, Suite 312.

Christopher Curtis, designee for Commissioner Jerry Boone, New York State Department of Taxation and Finance attended this meeting as a guest.

Mr. Schuman asked for motions and seconds to call to order the Members and Directors meetings of the New York State Housing Finance Agency ("HFA"), the New York State Affordable Housing Corporation ("AHC") the State of New York Mortgage Agency ("SONYMA"), the State of New York Municipal Bond Bank Agency ("MBBA"), and the Tobacco Settlement Financing Corporation ("TSFC"), respectively. Mr. Davidson moved to call the HFA and AHC meetings to order; Mr. Weiss seconded the motion. Commissioner Rubin moved to call

the SONYMA meeting to order; Chairman Thompson seconded the motion. Mr. SanFilippo moved to call the MBBA and TSFC meetings to order; Mr. Bialo seconded the motion.

Mr. Schuman 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 recital of the Committee reports, 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.

Chairman Thompson introduced new Board Member, Mr. Jerry Boone, New York State Commissioner of Taxation and Finance to the HFA and AHC Boards.

The first item on the agenda was the President's Report. President Rubin noted that the Agencies are headed toward a busy season. He summarized the expectations of the next quarter by noting that staff can expect a record year in affordable housing production on the State level. He spoke favorably about the Agencies' ability to implement Governor Andrew M. Cuomo's mandate laid out in his House New York Program and expressed his confidence in the fact that the Agencies will continue to provide even more decent affordable housing for all New Yorkers in the years to come.

President Rubin reported that earlier that day the Mortgage Insurance Committee ("MIC") approved permanent mortgage insurance for seven (7) projects representing 430 units of affordable housing in four (4) counties. He thanked both Michael Friedman, Senior Vice President/Director of Mortgage Insurance Fund (MIF) and Lauren McGill, Vice President and Counsel to the MIF.

President Rubin reported that on the multifamily side, today, HFA will be asked to approve financing of seven (7) projects representing \$400 million in bond financings, for over 1,100 units of housing in five (5) counties across the State. He also noted that the Members and Directors will be asked to review several important administrative items dealing with the Agencies' budget for the next year, investments, procurements and bond sales. He said the Agency Financial Statements for the second and third quarters are also included in the materials but that first the Members/Directors will be asked to approve the appointment of a few Senior Officers. President Rubin noted that the workload has increased at the Agencies in recent years and that, as the Members and Directors have noted, staff has decreased. He said, as a result, he would like to make an effort and commitment to take some weight off from staff members' shoulders with the addition of new senior staff.

President Rubin said the AHC Board will be presented with a resolution to authorize funding in an amount, just over \$2.3 million, representing assistance to 113 units of affordable housing outside of New York City including the counties of Monroe, Erie, Clinton, Steuben, Orange and Oneida.

Finally, President Rubin shared his activities over the last two months. He reported that both he and staff have traveled this summer meeting with Agency partners in the development community, not-for-profit community groups, and elected officials throughout the State. He said, to date, he has personally been to Rochester, Syracuse, Buffalo and Niagara Falls, and noted his frequent travels to Albany and to the NYC offices (downtown Beaver Street, Gertz Plaza and 641 Lexington Avenue).

President Rubin closed by noting the work being done on a new statewide housing plan, with details to follow.

The next item on the agenda was the Report of the Audit Committee. Mr. Schuman reported that the Audit Committee held a meeting on Tuesday, September 8, 2015 and adopted the minutes of its June 9, 2015 meeting. He next reported that the Audit Committee adopted the following resolutions:

- All five Agencies recommended the approval of the Administrative Budget Request and Financial Plans for FY 2016.
- SONYMA adopted a resolution approving SONYMA's Servicer Audit of Ulster Saving Bank report together with Management's response.
- AHC adopted a resolution approving AHC's Internal Audit's Report together with Management's response.
- TSFC adopted a resolution approving TSFC Internal Audit's Report.
- All five Agencies received a presentation on the Audit Plan from the Agencies' Independent Auditor's, Ernst & Young.
- All five Agencies reviewed the report of Administrative Budget Expenditures for the nine months period ending July 31, 2015 and the six months ending April 30th, 2015, and updated Financials Plans.
- All five Agencies reviewed the financial statement update for the 2nd and 3rd quarter Fiscal 2015 and 1st Quarter Fiscal 2016 for AHC.

The next item on the agenda was the Report of the Governance Committees. Mr. Schuman reported that the Governance Committees for HFA, AHC, MBBA and TSFC held a meeting on Tuesday, September 8, 2015 and SONYMA Governance Committee met on Thursday, September 10th and adopted the minutes of its June 9, 2015 meeting. He next reported that the Governance Committee adopted the following resolutions:

- All five Agencies recommended for approval the amendment of the Agencies' By-Laws.
- HFA, SONYMA, MBBA and TSFC adopted a resolution to enter into financial printing contracts and cash flow analysis software contracts.
- HFA, SONYMA and AHC adopted a resolution continuing the contract with Benefit Resource, Inc. for administration services for the Agencies' qualified transportation expense benefit plan and reviewed the annual contracts with Automatic Data Processing, Inc. (ADP) for payroll processing services.
- SONYMA adopted a resolution approving the Master Servicer Agreement with M&T Bank (M&T) and the consultant contract with Doug Dylla Consulting LLC.
- HFA and SONYMA adopted a resolution approving their financial reporting services contract with Bloomberg LLP and approved the SONYMA custody services agreement with the Bank of New York Mellon.
- HFA adopted a resolution approving the firm's use of the Agency's prequalified panel of Technical Assistance Provider relating to the Manufactured Home Cooperative Fund Program.
- HFA, SONYMA, MBBA and TSFC reviewed certain financial services and arbitrage rebate contracts with BLX Group LLC, Hawkins, Delafield & Wood LLP and Omnicap Group LLC.
- HFA reviewed the legal services contract with Denton US LLP.

The first item on the agenda was the adoption of the minutes of the 469th HFA Members meeting held on July 7, 2015. Absent comments or corrections from the Members, Mr. Schuman reported that the minutes were deemed approved.

Chairman Thompson stated that the next item on the agenda was a resolution amending and approving the Agencies' By-Laws. Mr. Schuman stated that the proposed amendments dealt primarily with incorporating new Senior Officer positions to the Agencies, and limiting the extent of signing authority among Senior Officers, noting that Senior Officers retained authority to delegate. He noted that the other substantive change was to permit video conferencing for board meetings (which is now required under the law), and to remove telephone meeting participation. He noted that the resolution will be adjusted to be consistent with the exception outlined by the Vice Chairman of TSFC and MBBA, Mr. Bialo, at the TSFC Governance Committee meeting, since TSFC is specifically permitted by law to conduct telephone meetings.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND

**TOBACCO SETTLEMENT FINANCING CORPORATION FOR THE
AMENDMENT OF THE AGENCY BY-LAWS**

The next item on the agenda was a resolution appointing Elizabeth Mallow as Senior Vice President and Executive Deputy Commissioner and Chief Operating Officer. President Rubin introduced Ms. Mallow and summarized her credentials. He noted that Ms. Mallow will be responsible for taking the weight from off the shoulders of people who are doing a good job and are massively overworked and helping to secure more resources for them. President Rubin spoke favorably about this recommendation.

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

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE
AGENCY, NEW YORK STATE AFFORDABLE HOUSING
CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY,
STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND
TOBACCO SETTLEMENT FINANCING CORPORATION APPOINTING
ELIZABETH MALLOW AS SENIOR VICE PRESIDENT AND
EXECUTIVE DEPUTY COMMISSIONER AND CHIEF OPERATING
OFFICER**

The next item on the agenda was a resolution appointing Meredith Levine as Senior Vice President and Chief of Staff. President Rubin introduced Ms. Levine and noted her credentials. He noted that Ms. Levine has "tremendous talent" and has a breadth of skills that will help run the Agency which has not had a Chief of Staff, a position that is critical for an Agency of this size.

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

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE
AGENCY, NEW YORK STATE AFFORDABLE HOUSING
CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY,
STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND
TOBACCO SETTLEMENT FINANCING CORPORATION APPOINTING
MEREDITH LEVINE AS SENIOR VICE PRESIDENT AND CHIEF OF
STAFF**

The next item on the agenda was a resolution appointing Mark Colon as Senior Vice President and President of the Office of Housing Preservation. President Rubin introduced Mr.

Colon and noted his credentials, with particular reference to his prior work with HCR. He noted that the Agencies are lucky that Mr. Colon is willing to step up and undertake different and just as challenging tasks. President Rubin said he is replacing Mr. Richard McCurnin, who recently retired from the position.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AND NEW YORK STATE AFFORDABLE HOUSING CORPORATION APPOINTING MARK COLON AS SENIOR VICE PRESIDENT, WITH THE TITLE OF PRESIDENT, OFFICE OF HOUSING PRESERVATION

The next item on the agenda was a resolution approving the Administrative Budget Request and Financial Plans for FY 2016. Ms. Sheila Robinson, Chief Financial Officer stated that Management seeks approval of the Agencies' Fiscal Year 2016 Administrative Budget (2017 for AHC) and the individual Financial Plans for the Agencies along with the Preliminary Cash/Program Budgets (send under separate cover). She said the FY2016 Administrative Budget (for the period November 1, 2015 to October 31, 2016) totals \$57.9 million which represents a \$1.127 million, or 1.98% increase from the FY2015 budget. She noted that the increase includes an increase to accommodate the restructuring of Senior Staff, to add additional legal and accounting staff; and to account for succession planning. She explained that staffing numbers have increased from 192 to 210, noting that the range of budgeted employees (221-230) gives Management some hiring flexibility. She closed by stating that the hiring projections make up the bulk of the increase in budget.

Ms. Robinson said the increase in Personal Services includes salaries, health, dental and insurance costs. She said also included is an overhaul of the Agency's entire Information Technology (IT) system. Ms. Robinson thanked her staff for their help in this challenging work.

President Rubin thanked Ms. Robinson and her staff for their hard work, and added that he saw it first hand as he also immersed himself in this, his first budget at the Agencies. He thanked Ms. McCann and the NYS Division of the Budget for the help that was provided in this regard.

Commissioner Boone inquired about the replacement of legacy systems and questioned whether the investment allowance is sufficient. Ms. Robinson stated that ongoing replacement is occurring but there is a need for additional hires and consultants on the IT side and said she received seven proposals in this regard.

Ms. Miller inquired about the IT acquisition program and the amount budgeted for capital expenses and noted that the projection showed a significant decrease. Ms. Robinson explained that Management was able to purchase the software and equipment needed. She also confirmed that the Agencies have the requisite funds although major capital purchases will be made over time.

HFA/AHC Vice Chairman, Mr. Weiss inquired about staffing as outlined on Page 12 of the Budget report. He noted the projection to conduct additional transactions/portfolios/deals and the hiring of Executive Staff. He asked if the staffing plan coincides with the level and amount of work to be done. It was explained that Management is confident about the staffing plan. President Rubin also noted that staffing is an issue across the Agency and targeted hires are anticipated.

Ms. Miller inquired about the substantial increase in Non-Operating Revenues as outlined on Page 24 of the report and the impact on Agency reserves. Mr. Gary Weinstock, Vice President/Comptroller reported that this was the result of larger than anticipated charges for Agency services, primarily due to 80/20 projects. He also noted that there was revenue not spent from the prior year and confirmed that there was no negative impact on the Agency's financial structure.

Ms. Miller complimented Management on what she referred to as a "very complex budget."

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT FINANCING CORPORATION ADOPTING AN ADMINISTRATIVE BUDGET FOR FISCAL YEAR NOVEMBER 1, 2015 TO OCTOBER 31, 2016 AND FINANCIAL PLANS FOR FISCAL YEARS 2016, 2017, 2018 AND 2019 WITH RESPECT TO THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND TOBACCO SETTLEMENT FINANCING CORPORATION AND THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION'S FINANCIAL PLAN FOR FISCAL YEARS 2017, 2018, 2019 AND 2020, AND PRELIMINARY CASH BUDGETS FOR THE NEW YORK STATE HOUSING FINANCE AGENCY AND THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY FOR FISCAL YEAR 2016

The next item on the agenda was a resolution regarding the review of Third Quarter Investment Reports for HFA/SONYMA/MBBA/TSFC for the period ending 7/31/15 and First Quarter Report for AHC for the period ending June 30th, 2015. This was a consent item and it was noted that information regarding this item was contained in the materials provide to the Members in advance of the meeting, which materials are incorporated herein by reference. There was no discussion regarding this item.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND THE TOBACCO SETTLEMENT FINANCING CORPORATION APPROVING REPORTS OF INVESTMENTS

The next item on the agenda was a resolution approving the 3rd Quarter Bond Sale Report. This was a consent item and it was noted that information regarding this item was contained in the materials provide to the Members in advance of the meeting, which materials are incorporated herein by reference. There was no discussion regarding this item.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AND STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE AGENCIES' BOND SALE REPORTS

The next item on the agenda was the review of the Agencies' Quarterly Procurement Report for the period ending July 31, 2015. It was noted that information regarding this item was contained in the materials provided to the Members in advance of the meeting, which materials are incorporated herein by reference. There was no discussion regarding this item.

The next item on the agenda was the Report of Administrative Budget Expenditures for the nine months ending July 31, 2015 and the six months ending April 30, 2015 and Updated Financial Plans. It was noted that information regarding this item was contained in the materials provided to the Members in advance of the meeting, which materials are incorporated herein by reference. There was no discussion regarding this item.

The next item on the agenda was the Financial Statement update for the 2nd and 3rd Quarter Fiscal 2015 and 1st Quarter Fiscal 2016 for AHC. It was noted that information regarding this item was contained in the materials provided to the Members in advance of the meeting, which materials are incorporated herein by reference. There was no discussion regarding this item.

The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$198,000,000 for 325 Kent Avenue, Brooklyn, Kings County. Ms. Zucker reported that the first development is the 325 Kent Avenue Apartments project. She stated that the financing structure is an estimated \$198,000,000 in maximum variable-rate, tax-exempt bonds and an estimated \$180,000,000 in a maximum construction and permanent period First Mortgage Loan.

Mr. Zucker, in response to a question from Mr. Davidson, summarized the use of volume cap and recycled bonds for this project.

Ms. Zucker also noted that the project, itself, is a 17-story luxury apartment building containing 104 affordable apartments. She said at least twenty percent (20%) of the revenue generating will be set aside for tenants with income at or below 60% of the Area Median Income ("AMI").

Ms. Zucker reported that the developer is Two Trees Management Company which will also serve as the managing agent and that the principal of Two Trees, David C. Walentas will be the managing member of the Borrower. She said the construction manager is 325 Kent Construction LLC.

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

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 325 KENT AVENUE APARTMENTS

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS.

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS, 2015 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$198,000,000.

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS, 2015 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$198,000,000.

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS, 2016 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$198,000,000.

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS, 2016 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$198,000,000.

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS, 2017 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$198,000,000.

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 325 KENT AVENUE APARTMENTS HOUSING REVENUE BONDS, 2017 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$198,000,000.

The next item on the agenda was a resolution authorizing financing approval in an amount not to exceed \$80,000,000 for 15 Hudson Yards, 553 West 30th Street, Manhattan, New York County.

Chairman Thompson noted that a revised set of materials for this item was sent to all HFA Members prior to today's meeting and that those are the materials that will be considered at today's meeting.

Ms. Zucker stated that Management seeks authorization to issue bonds for the construction of 106 units of multifamily housing to be located in Manhattan which will be known as Hudson Yards. She explained that the affordable portion will be structured as a private placement with Citibank, N.A.

The project will consist of 106 newly constructed affordable units located on eight (8) floors (floors 12 – 19) of a 70-story mixed use tower. The Project will part of a larger development that will contain 285 for-sale condominiums and a large scale cultural center (collectively, the "Development"). The Project, which is being financed under the Agency's Back to Back program with Citibank, will be 100% affordable to tenants with household incomes at or below 60% of AMI. Under the program, the Agency will issue an \$80 million Debt Obligation to Citibank, which will in turn provide funds for a first mortgage loan in a like amount to the Borrower. The remaining components of the Development will be partially financed with \$850 million in funds provided by a separate lender through a mortgage participation with the Agency, for a total mortgage loan amount of \$930 million.

Ms. Miller and Mr. Gregory H. Gushée, a representative from the Related Company engaged in a discussion concerning liability and responsibility issues arising from the use of two separate buildings. Mr. Gushée confirmed that the affordable building is separately financed and represents no risk.

Ms. Zucker noted that the development is developed by the Related Companies and the Construction Managers are Related Companies, as well.

Ms. Zucker said that the Borrower is pursuing a LEED Gold Certification and has agreed to partner up with the New York City Housing Authority's ("NYCHA") construction training program. Ms. Zucker mentioned that this new feature was suggested by Ms. Visnauskas, and will serve to train residents of NYCHA projects in the construction training program. Ms. Zucker said both NYCHA and Related will decide how many trainees can be brought to the site at one time and what particular skill is needed for a specific period of time. She noted that the Borrower is incurring the interest expenses.

Ms. Miller noted that in terms of the green aspects of the building, there is no mention of an innovative waste disposal system such as that used in Roosevelt Island. She asked if there were any other unique features. Ms. Zucker said that there will be a massive cogeneration plant and water infiltration systems. She said that Related is committed to being in the forefront of sustainability.

Ms. Miller asked if the affordable unit tenants will have access to all areas. It was noted that all tenants will share one lobby and that parking is open to everyone although there is a minimum amount of parking spaces. Ms. Miller asked if the income levels for the affordable building related to family size. Ms. Zucker explained that there is an adjustment based on family size.

Mr. Davidson suggested that, at the educational session for the Board Members, scheduled for Tuesday, October 13, that an item be placed on the agenda on how to assess the macro risk of projects such as this one.

Chairman Thompson thanked Ms. Zucker for the good work on this along with the Commissioner. It was noted that Ms. Visnauskas provided a quick resolution by including NYCHA residents and it was also noted that Related was positively responsive to the idea. Chairman Thompson noted the good, comprehensive work done on behalf of the team.

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

**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 15 HUDSON YARDS APARTMENTS**

The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$51,700,000 for 125 Metropolitan Avenue and 94 North 3rd Street, Brooklyn, Kings County. Ms. Zucker reported that this investment funds the new construction of a 75-unit, multi-family, residential rental development. She reported that there is an estimated \$47 million in a maximum construction and permanent period First Mortgage.

Ms. Zucker reported that the affordable units will be affordable in perpetuity. She also reported that the development will be built to meet the requirements of the Enterprise Green Communities Program.

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

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 125 METROPOLITAN AVENUE APARTMENTS

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS, 2015 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$51,700,000

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS, 2015 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$51,700,000

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS, 2016 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$51,700,000

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS, 2016 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$51,700,000

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS, 2017 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$51,700,000

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 125 METROPOLITAN AVENUE HOUSING REVENUE BONDS, 2015 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$51,700,000

The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$26,310,000 for 2264 Morris Avenue Apartments, 2264 Morris Avenue, Bronx County. Mr. Bret Garwood, Senior Vice President, Multifamily Housing, provided the relevant background information with regard to this request. He reported that the Members will be presented with a wide variety of projects which will include a Medicaid Redesign Team: Affordable Housing Work Group ("MRT") project, affordable housing projects as well as a disaster recovery project.

Mr. Garwood reported that this project represents an integrated MRT project; it is also a mixed-income project which will expand the middle-income population with 15% of the units designated for tenants with incomes up to 130% of the AMI. He reported that the investment funds the new construction of ninety-four (94) units located in the Fordham neighborhood of Bronx County. He said approximately 85% of the revenue-generating units, or 79 units, are expected to be set aside for tenants with income at or below 60% of the AMI. He said of these, thirty-one (31) units will be set aside for tenants with a serious mental illness.

Mr. Garwood reported that the project will consist of the new construction of one, 11-story, apartment building and the Project's Total Development Cost is estimated to be approximately \$46.1 million. He said the building will contain thirty-one (31) studios, twenty-three (23) one-bedroom units, twenty-five (25) two-bedroom units and fourteen (14) three-bedroom units.

Mr. Garwood reported that supportive services will be provided by Services for the Underserved, that the developer is BronxPro and the Letter of Credit will be provided by JPMorgan Chase Bank, N.A. He noted that the project has substantial leverage which includes a \$1.7 million loan from Homes for Working Families.

Mr. Garwood said Management seeks approval to issue \$26.3 million in tax-exempt bonds. He noted that the developer was deemed eligible for a new subsidy program and applied for \$1.24 million for new program which is being provided by HFA. He also noted that although the demand for working families is high, there will be HUD Project-Based Section 8 vouchers for eight (8) units to be administered by the New York City Department of Housing Preservation and Development ("HPD").

Mr. Garwood said that Management is making an additional request for approval for \$1.24 million in Middle Income Program funding for this project. He said that the project was scored and deemed eligible for that amount. He explained that the Middle Income Program is a new program being provided through HFA. He noted that it was initially intended that this project would use only HWF funds but that demand for HWF funding is high and that allocation of \$1.24 million in Middle Income Program funds as an alternative would allow for flexibility. He said that Management would report back to the Board when a decision as to funding is made.

Ms. Miller inquired about rents (\$193/month-above the shelter allowance) and Mr. Garwood responded that additional support will be provided by The New York State Office of Mental Health.

Considering the first and second motions previously entered, the motions were carried, and the following resolutions were adopted unanimously, together with approval of the additional \$1.24 million Middle Income Program funds previously mentioned:

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 2264 MORRIS AVENUE

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 \$26,310,000

The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$9,440,000 for Valley Vista Apartments, 118-122 West Seneca Turnpike, Syracuse, Onondaga County. Mr. Garwood reported that this investment funds the rehabilitation of 124 units of Mitchell-Lama affordable housing for seniors, as part of the Governor's House NY Program. Mr. Garwood noted that the project was built in 1974 under the New York State Mitchell-Lama Program and benefits from an Article II tax abatement. He said the project will also benefit from a HUD Project-Based Section 8 Voucher Contract.

Mr. Garwood said the scope of work focuses on interior repairs and improvements as well as energy efficiency undertakings.

Mr., Garwood said the Borrower will be controlled by Sutton Real Estate Company LLC and Bentham Foundation LLC. He said Senior Management is seeking approval of \$9.4 million of tax-exempt bonds.

Considering the first and second motions previously entered, the motions were carried, and the following resolutions were adopted with the recusal of Vice Chairman Steven 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 VALLEYVISTA 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 \$9,440,000**

The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$7,000,000 for Owego Gardens Apartments, Village of Owego, Tioga County. Mr. Garwood noted that this next project would fund the new construction of a 62-unit, mixed-income senior rental building. He noted that this project represents an affordable housing opportunity for seniors in an area severely impacted by Tropical Storm Lee in 2011 and was previously authorized by the Governor's Office of Storm Recovery.

Considering the first and second motions previously entered, the motions were carried, and the following resolutions were adopted with the recusal of Vice Chairman, Mr. 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 OSWEGO GARDENS 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 was a resolution authorizing financing approval of an emergency subordinate loan in the amount of \$1,000,000 for 753 Classon Avenue, located in Crown Heights, Brooklyn County.

Ms. Zucker reported that this investment funds emergency repairs to 139 units of Mitchell-Lama, multi-family, affordable housing for staff aka Brooklyn Jewish Hospital Staff Housing. She reported that staff is developing a plan to preserve the Project as affordable housing and that the project is comprised of one, 13-story plus cellar apartment building.

Ms. Zucker introduced Mark Flescher, Vice President, Special Projects, who reported that the Emergency Loan will pay for expenses that would best be addressed immediately and that are intended to precede a more comprehensive plan for the preservation of the housing developed. He said The Physical Needs Assessment highlighted roof replacement is the first urgent need and that need was emphasized by severe leaking after a storm on June 29, 2015. He said the project will be ready to proceed with the roof repairs immediately. He said Senior Management recommends approval of this Emergency Loan.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE MAKING OF A SUBSIDY LOAN FOR THE PROJECT KNOWN AS 753 CLASSON AVENUE PROJECT

The next item on the agenda were resolutions authorizing issuance of refunding bonds in the amount not to exceed \$6,000,000 to refund existing affordable housing revenue bonds issued for Kennedy Plaza Tower Apartments, City of Utica, Oneida County. Ms. Zucker reported that Management is proposing to refund the Bonds and this will be the first time outstanding bonds will be refunded for this project.

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

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 KENNEDY PLAZA TOWER APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2010 SERIES_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$12,500,000

There being no unfinished business, Mr. Schuman asked for a motion and a second to adjourn the meeting. Mr. Weiss moved to adjourn; Ms. McCann seconded the motion, and the meeting was adjourned at 10:40 a.m.

Mr. Schuman informed the Members that the next Board meeting is scheduled for Thursday, October 15, 2015, at 8:30 a.m.



Adam Schuman, Secretary