

**MINUTES OF THE
473RD MEMBERS MEETING OF THE
NEW YORK STATE HOUSING FINANCE AGENCY
HELD ON DECEMBER 10, 2015 AT 9:00 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
James S. Rubin	Member
Joyce L. Miller	Member
Elaine McCann	New York State Division of the Budget, representing Mary Beth Labate, Member (via video conference)
Eric Mostert	New York State Division of Taxation and Finance, representing, Jerry Boone, Member (via video conference)

ABSENT:

Nestor M. Davidson	Member
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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 New York State Division of the Budget conference center at the Capitol Building, Room 131, in Albany. Joining her in Room 131 at the Capitol Building were Linda Baldwin representing Cesar Perales, Secretary of State; and Eric Mostert, Chief Fiscal Officer representing Commissioner Jerry Boone from the New York State Department of Taxation and Finance.

A public notice was given of the time and location of the venues in accordance with the New York State Open Meetings Law.

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"), and the State of New York Mortgage Agency ("SONYMA"), respectively. Chairman Thompson moved to call the HFA and AHC meetings to order; Ms. Elaine McCann seconded the motion. Ms. McCann moved to call the SONYMA meeting to order; Ms. Rogatz seconded the motion. Mr. SanFilippo moved to call the TSFC and MBBA meetings to order; Mr. Bialo seconded the motions.

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 Director 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 State of New York Mortgage 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. President Rubin reported that earlier that day, the Mortgage Insurance Committee ("MIC") approved ten (10) items for permanent mortgage insurance for eight (8) projects representing over 1100 units of affordable housing located in Albany, Erie, Bronx and Kings County. He said the Committee also approved insurance for scattered group site housing representing forty-seven (47) units in Suffolk County.

President Rubin reported that on the multifamily side, HFA will be asked to approve two (2) multifamily projects representing over \$20 million in bond financing in Dutchess County and Town of Thompson (Sullivan County), for 138 units of senior housing. Also \$1.8 million in bond financings will be awarded for 148 units in Harlem. Additionally, over \$4 million will be awarded to AHC projects.

President Rubin reported that the Members and Directors will be asked to review several important administrative items such as the Agencies' MWBE Goal Plan and Agency technologies and systems upgrade. He noted that both these items are of great importance to the Agencies.

President Rubin reflected on a day spent with Senator Catharine Young, head of the Senate Housing, Construction and Development Committee (who oversees the Agencies' activities) and his recent travel throughout New York State. He noted that his recent travels had taken him up to the Pennsylvania border, with Chris Leo, Vice President, the Agencies' Community Renewal head; to Albany and to Buffalo. He stressed how these trips in particular afforded him an opportunity to see a different facet of the Agencies' work, particularly in that they cover rural areas. He gave details on a visit to an old rural development project which represents rural housing in areas very different from what Agency heads typically see.

President Rubin shared the Agencies' activities since last month. He reported that there have been meetings in the Bronx, Brooklyn, Rochester, Buffalo, Albany and Watertown areas; staff has been represented at several ribbon cuttings, i.e. the Plattsburgh event. He noted that he had the pleasure of presenting several service awards which highlighted the fact that the Agencies have a very experienced workforce. He referred to the Agency-wide Town Hall meeting held a few weeks ago where there was a presentation from the Fair Housing Justice Center which handles and originates a lot of the anti-discrimination cases, here in New York City, and is able to identify areas where there is housing discrimination against minorities of all kinds. He commented that "it was a very moving experience" to see the video and hear from Fred Freiberg, Executive Director. He also noted spending time with the Newburg and Mid-Hudson Agency group.

President Rubin stated that Mr. Schuman has been spending a lot of time in Fair Housing issues over the last three months, particularly with support from the Executive Chamber. He said that the goal is to find ways for this Agency to get more involved with anti-discrimination efforts in order to protect tenants.

Lastly, President Rubin's turned to the topic of homelessness. He noted that Governor Andrew M. Cuomo has been focusing on homelessness for the last thirty (30) years, starting with his stint as Chairman of the New York City Commission on the Homeless. He noted how the issue has once again become the subject of intense scrutiny. He stated that there's been a focus to bring together all of the State's activities surrounding solving homelessness and some ideas will be made public during the Governor's State of the State address. He noted that the Agency is responsible for financing much of the supportive housing that exists in New York State and that role will essentially increase. He thanked Mr. Bret Garwood, Senior vice President, Multifamily Housing, and Ms. Marian Zucker, President, Finance and Development, and her team. He expressed hope that this Agency will play the lead role on the homelessness agenda since it is a State-wide problem and it fits our role.

The next item on the Agenda was the report of the Audit Committee. Mr. Schuman reported that the Audit Committee held a meeting earlier that day and adopted the minutes of the September 8, 2015 meeting. He next reported that the Audit Committee adopted the following resolutions:

- All five Agencies adopted a resolution reviewing and approving Internal Audit Staff Functions.
- SONYMA adopted a resolution approving SONYMA's Servicer Audit of Community Bank together with Management's response.
- SONYMA adopted a resolution approving New York Higher Education Loan Program Audit.

The next item on the agenda was the Report of the Governance Committee. Mr. Schuman reported that the Governance Committee held a meeting earlier, on today, and adopted the minutes of its September 8, 2015 meetings. He next reported that the Governance Committee adopted the following resolutions:

- All five Committees adopted a resolution recommending the approval of the Agencies' Master Goal Plan.
- All five Committees adopted a resolution approving the Governance Committee action plan.
- All five Committees adopted a resolution approving Salary Ranges for Senior Officers.
- HFA/SONYMA/MBBA/TSFC approved a resolution to enter into financial advisor services contract with firms on the Agencies' newly established prequalified panel.
- HFA and SONYMA approved a resolution to amend contracts with InfoPeople Corporations (InfoPeople) and Systems Application Information Network, Inc. (d/b/a) Computer Resources of America (CRA) for information technology consultant services.)
- HFA approved a resolution of contract with Richard Lampert for appraisal and market study consultant services.
- SONYMA adopted a resolution approving the extension of a contract with Genworth Mortgage Insurance Corporation for administrative services.
- All five Committees received a report on Salary Adjustments (Management Confidential).
- All five Committees received a report on Agency Administration of Ethics Policy.

The first item on the agenda was the adoption of the minutes of the 472nd HFA Members meeting held on November 12, 2015. Absent other comments or corrections from the Members, Mr. Schuman reported that the minutes were deemed approved.

Mr. Schuman announced that the Members and Directors of the various Agencies would be going into Executive Session in accordance with Section 105(f) of the Public Meetings Law to discuss the financial, credit or employment history of a particular corporation. Chairman Thompson moved to go into Executive Session, Ms. McCann seconded the motion, and the Members and Directors entered into Executive Session at 9:16 a.m.

Mr. Schuman called for a motion to reconvene from Executive Session which ended at 10:05 a.m. Chairman Thompson moved to reconvene; Commissioner Rubin second the motion and the public meeting reconvened. Mr. Schuman announced that no votes were taken in Executive Session.

Chairman Thompson stated that the next item on the agenda was approval of funds to be set aside and budgeted for the Agencies Information Technology Unit with respect to the Business Application Modernization (BAM) project. Chairman Thompson noted that there was no need to discuss this item unless Board members requested, and asked that the item be put up for vote. .

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 THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING USE
OF FUNDS AND AUTHORIZING A BUDGETARY OVERAGE**

The next item on the agenda was resolution approving Master Goal Plan. Chairman Thompson noted that this item was discussed and voted on earlier in the day at the Governance Committee meetings and is now up for vote. He also noted that there will be no discussion on this item unless the Directors so request.

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

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY,
THE NEW YORK STATE HOUSING FINANCE AGENCY, THE NEW YORK
STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW
YORK MUNICIPAL BOND BANK AGENCY AND THE TOBACCO
SETTLEMENT FINANCING CORPORATION APPROVING THE ANNUAL
UPDATED AND CONSOLIDATED EQUAL OPPORTUNITY AND
AFFIRMATIVE ACTION FOR 2016-2017 MASTER GOAL PLAN**

The next item on the agenda was resolution authorizing Senior Officers parity increases. Chairman Thompson noted that this item was distributed to the Directors under separate cover. He inquired about health care premium contributions.

President Rubin noted that a salary adjustment is recommended for Senior Officers in accordance with the State’s methodology. He said that earlier today, the Governance Committee received the requisite annual report for salary adjustments Management Confidential employees who are not senior officers. He said the Agencies intend to begin phasing in employee health care contributions in 2016 for Management Confidential employees. He noted that health care contributions are also subject to discussion with the Agency’s unionized employees. Chairman Thompson asked if there was any additional discussion on this item.

MBBA/TSFC Director/Member, Mr. SanFilippo inquired about the use of the word “parity”. His question was answered by Ms. Robinson who confirmed that the salary adjustment would be retroactive from July 2015 and the adjustment was triggered by a New York State Division of Budget bulletin that was distributed in 2009.

Chairman Thompson acknowledged receipt of a letter from The Technical, Office and Professional (TOP) Union, Local 2110 President. He stated that there will be a follow-up discussion with staff.

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

A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE HOUSING FINANCE AGENCY, THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND THE TOBACCO SETTLEMENT FINANCING CORPORATION AUTHORIZING SENIOR OFFICER PARITY INCREASES

The next item on the agenda was a resolution approving Annual and 4th Quarter Bond Sale Reports. Chairman Thompson stated that there will be no discussion on this item unless the Members/Directors so request.

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 THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE AGENCIES' BOND SALE REPORTS

The next item on the agenda was a review of the report on the Agency's Administration of its Ethics Policy. It was noted that information regarding this item was contained in the materials provided in connection therewith, which materials are incorporated herein by reference. There was no discussion regarding this item.

The next item on the agenda was a review of the report on the Agency's Board Self Evaluation. It was noted that information regarding this item was contained in the materials provided in connection therewith, 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 \$8,395,000 for Conifer. Ms. Zucker commenced by providing an overview of the Bond Sale Report. She reported that the Agencies issued over \$2.5 billion in bonds for housing purposes, \$2.1 billion of which was on the HFA side; the remainder of funds were for thirty-six (36) mortgages/properties. She also reported that this year the Agency will finance over 4,000 affordable units of housing which represents a decrease in the number of units (174 to 114) compared to last year, a decrease in the average size of projects but yet an increase in the number of projects. She noted that this is representative of upstate, smaller projects and Mitchell Lama portfolio projects in the Agency's pipeline. She also noted that the Agency had a very good year and has a lot to be proud of.

Mr. Garwood then reported on the Project before the Members. He reported that the Project is part of the Governor's Office of Storm Recovery program earlier this year along with the Cornell University initiative to increase and expand affordable housing (has a substantial need for an active economy). He noted that the Agency has been very active in Ithaca (two other projects were just completed and awarded funds). He reported that this investment funds the new construction of one, three-story building with sixty-eight (68) units, containing fifty-nine (59) one-bedroom units and nine (9) two-bedroom units to be located at West Hill Drive off of Trumansburg Road, Town of Ithaca, Tompkins County. All sixty-eight (68) revenue-generating units will be set aside for senior households (those aged 55 and up) whose income is at or below 60% of the AMI adjusted for family size.

Mr. Garwood reported that the investment recommendation is \$8.4 million in tax-exempt bonds; also, there is \$6.3 million in Community Development Block Grant ("CDBG") funds; substantial leverage here enabling the Agency to be able to do more. He reported that there's substantial green infrastructure including New York State HFA Green Building mandatory requirements which will pursue Enterprise Green Certification, as well as participate in the NYSERDA Low-Rise Residential New Construction Program.

Mr. Garwood noted that seven (7) units will be fully accessible to the mobility impaired and three (3) units will be accessible to hearing or visually impaired individuals and will be referrals and linkages to services.

Mr. Garwood stated that the developer is Conifer, who has a lot of experience in the development, acquisition and management of affordable housing. The Letter of Credit will be provided by First Niagara, N.A.

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 TIME FINANCING OF THE PROJECT KNOWN AS CONIFER VILLAGE AT CAYUGA MEADOWS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2016 SERIES _ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$83,395,000

The next item on the agenda was a resolution authorizing financing approval in an amount not to exceed \$12,100,000 for Highland Meadows Senior Residence, City of Beacon, Dutchess County. Mr. Garwood reported that this project also is supported by the Governor's Office of Storm Recovery. He described the project as the adaptive reuse of a former hospital which will have approximately 65,000 square feet of residential and commercial space on three (3) floors located on a 19.2 acre site. He noted that the project will have sixty-eight (68) units consisting of fifty-three (53) one-bedroom and fifteen (15) two-bedroom units; the two-bedroom units will have 1-1/2 baths and will range in size from 925 to 1,000 square feet. Also, ten (10) of the revenue generating units are expected to be occupied by households aged 62 and over and earning no more than 90% of AMI, adjusted for family size.

Mr. Garwood stated that the investment recommendation is \$12.1 million in estimated maximum fixed-rate, tax-exempt bonds; estimated annual allocation of \$546,836 (representing 4% low-income housing tax credits and \$8,042 per unit); estimated annual allocation of \$576,838 in State Low Income Housing Tax Credits ("LIHTCs") by the Commissioner of the Agency. He stated that there is also an estimated \$5.4 million in CDBG-DR funds (excluding accrued construction period interest/\$80,000 per unit)

Mr. Garwood reported that the project will also be receiving a grant and private funding from the Dyson Foundation which does community and economic development work. He noted that the project site which is the former St. Francis Hospital, is located on Hastings Drive in the City of Beacon, Dutchess County. He also reported that the site will provide good access to the transit system from the facility and is serviced by the Dutchess County Bus Transit System. He stated that the developer is Hudson Valley Housing Development Fund Corporation and the investor is First Sterling Financial, Inc.; J.P. Morgan Chase, N.A., will provide the Letter of Credit.

Considering the first and second motions previously entered, the motions were carried, and the following resolutions were adopted, with the recusal of 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 HIGHLAND MEADOWS SENIOR RESIDENCE

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING
FINANCE AGENCY AUTHOIRZING THE ISSUANCE OF AFFORDABLE
HOUSING REVENUE BONDS, 2016 SERIES _ IN A PRINCIPAL AMOUNT NOT
EXCEEDING \$12,100,000**

There being no unfinished business, Mr. Schuman asked for a motion to adjourn the meeting. Chairman Thompson moved to adjourn; Ms. McCann second the motion and the meeting was adjourned at 10:25 a.m.

Mr. Schuman informed the Members that the next Board meeting is scheduled for Thursday, January 28, 2016, at 8:30 a.m.



Adam Schuman, Secretary