

**MINUTES OF THE  
446<sup>th</sup> MEMBERS MEETING OF THE  
NEW YORK STATE HOUSING FINANCE AGENCY  
HELD ON MAY 9, 2013 AT 8:40AM  
AT ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

**MEMBERS AND DESIGNEES**

**PRESENT:**

William J. Mulrow	Chairman
Steven J. Weiss	Vice Chairman
Thomas H. Mattox	Member
Darryl C. Towns	Member
Elaine McCann	Division of the Budget, representing Robert Megna, Member (via video conference)

Chairman William J. Mulrow opened and chaired the meetings.

Alejandro J. Valella, Vice President and Deputy Counsel of the Agencies, acted as Secretary and noted that Elaine McCann from the Division of the Budget, representing Robert Megna, Budget Director, Commissioner Thomas Mattox and Aida Brewer, New York State Department of Taxation and Finance were participating in the meetings via video conference from the New York State Division of Budget conference center at the Capitol Building, Room 131, in Albany. A public notice was given of the time and location of that venue.

Anthony Bergamo and Don Lebowitz, Directors of SONYMA attended this meeting as guests.

Mr. Valella asked for motions and seconds to call to order the May 9, 2013 Members and Directors meetings of the New York State Housing Finance Agency ("HFA") and the State of New York Mortgage Agency ("SONYMA"). Steven Weiss moved to call the HFA meeting to order; Chairman William Mulrow seconded the motion. Elaine McCann moved to call the SONYMA meeting to order; Chairman William Mulrow seconded the motion.

Mr. Valella stated that as items are 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.

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**The first item on the agenda was the President's Report.** Commissioner Darryl Towns stated that at today's meeting the Board will be asked to approve two HFA financings in the Bronx totaling over \$35 million, a nearly \$12 million financing in Somers in Westchester County and an approximately \$7 million financing in the City of Troy. He stated that Ms. Zucker will present the bond offering to the Board for the acquisition of the ESD Mitchell Lama portfolio that was discussed last month. He noted that in SONYMA the Mortgage Insurance Fund was asked to approve mortgage insurance on 10 financings in six counties around New York State and Mr. Friedman would be requesting the Board's approval of the transfer of the excess reserves from the project pool account. He noted that SONYMA single family recently closed on an \$88 million bond issuance to purchase new loans, that March loan reservations average \$1.6 million per day compared to April loan reservations of \$1.4 million per day, and that loan delinquencies in March were 3.79% which is favorable compared to New York State's average of 11.28% and the national average of 8.04%. He stated that Governor Cuomo announced \$91 million in HCR Unified Funding which will create and preserve over 2,000 units of affordable housing in every region of the State. Commissioner Towns reported that there has been significant progress in filling open positions at HCR and that he will provide more information to the Board as it becomes available. He stated that HCR staff from various departments within the Agencies participated in the 14<sup>th</sup> Annual NYSAFAH Conference in New York City where they conducted workshops and shared their expertise with nearly 1,400 attendees. He stated that the Agencies have participated in other outreach activities by holding meetings of the SONYMA Advisory Council and the Multi-Family Advisory which brings together our staff with our clients and business partners looking for ways to improve and streamline our programs. He noted that in the Agencies' core business, demand continues to increase and he expects a larger pipeline in June. Commissioner Towns requested that Matthew Nelson update the Board regarding the State's plan regarding Super Storm Sandy recovery.

Mr. Nelson stated that with respect to the CDBG award from HUD of \$.17 million under the notice of the use of funds in March the Agencies were required to issue an action plan. He stated that the plan was submitted on April 26, 2013 and it was approved by HUD. He stated that the action plan covers two substantial areas for assistance which are housing and small business. He noted that these two areas are the primary focus of the \$1.7 million allocation and the State is projecting to allocate \$838 million for housing and \$415 million for economic development activities over the scope of the time that these funds will be available. He stated that, in addition, the Action Plan specifies assistance for other critical needs in areas of infrastructure, local government assistance and other unique programs being offered by the State through NYSERDA, the Resiliency Retrofit Fund and some funding for gas stations to do mitigation activities to insure no future power outages of the magnitude faced in the aftermath of Super Storm Sandy occur again. He stated that there are a number of programs in the action plan regarding housing, single family rental properties as well as multi-family rental units of 8 or more. He stated that in single family pool the focused is on repair, rehabilitation, mitigation and elevation of homes that were impacted by the storm. He stated that in terms of implementation, the State has open 20 across Long Island and the lower Hudson Valley to provide a resource for homeowners and business owners to apply for these funds along with a website for people to apply online. He stated that these locations are staffed/volunteered by our staff and other state agencies that are assisting us from the Department of Labor, Empire State Development and the

Department of Financial Services has a mobile command center which is going to different impacted communities day by day which allows residents an access point to complete and submit applications. He stated that there are 6 locations that have been opened across Long Island in the most impacted areas there are 3 in Nassau and 3 in Suffolk. He noted that there have been over 400 applications submitted in Long Beach, 200 in Island Park and 200 in Cedar Creek. He noted that in Suffolk County the number of applications submitted is very different than Nassau, in Mastic Beach 50 applications, Islip under 100 applications and Babylon over 100 applications. He further noted that the total applications to date including those submitted online is approximately 1,500 applications with the Agencies records showing an additional over 8,000 people who have pre-registered with the State in the early phases of this operation who they expect will be completing their applications soon. He stated that in regards to housing assistance there will be over 10,000 applications requesting aide. He stated that in regard to the Buy-Out Program, the Agencies have received over 180 applications from residents in Staten Island. He noted that this a big undertaking for the State of New York and we are in the beginning stages of the process and we are working day and night to get the resources out to the residents as soon as possible. Commissioner Towns and Chairman Mulrow thanked Mr. Nelson for his hard work regarding this important effort in New York State.

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**The next item on the agenda was the adoption of the minutes of the 445<sup>th</sup> HFA Members meeting held on April 11, 2013.** Mr. Valella reported that there were no corrections or comments from the Members and the minutes were deemed approved.

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**The next item on the agenda were resolutions authorizing financing approval in an amount not to exceed \$24,150,000 for Boston Post Residence located at 1191 Boston Road, Bronx County.** Marian Zucker, President, Finance and Development stated that there are four projects before the committee for approval which include two projects that have funding from the Governor's Medicaid Redesign Team, a new construction project that helps Westchester County meet its fair housing settlement goals and an upstate affordable housing preservation deal. Ms. Zucker stated that financing for these projects will be financed through the Agency's affordable housing resolution which is the parity resolution for multi-family deals and when the Agency closes on these deals there will be over 100 projects in that resolution.

Richard Brown, Senior Underwriter for Multi-Family, presented this project in detail to the Members. He stated that this project is sponsored by Common Ground and this is the third deal that HFA has financed with Common Ground. He said that it consists of 155 units of new construction rental units that the project will receive \$600,000 MRT funding, and it also helps to assist the State in its initiative regarding supportive housing since it contains 94 units that have been set aside for previously homeless individuals with severe mental illness. He further stated that there will be a Section 8 HAP contract through HPD for the 94 supportive housing units and the services for these units will be provided by Services for the Underserved. He stated that the cost of construction is approximately \$29,828,000 or \$192,000 per unit. Mr. Brown stated that the request for approval for this project is \$24,150,000 of tax-exempt bonds and \$1,665,869 annual allocation of 4% tax credits, the project will receive 420c tax abatements from the City of

New York and a subsidy loan from HPD in the amount of \$8,240,000 and HHAP will be providing a \$3,720,000, two million in Resolution A monies and it will be credit enhanced by JPMorgan Chase.

Vice Chairman Steve Weiss noted that he had to recue himself from voting on this project.

Commissioner Towns moved to adopt the resolution; Chairman Mulrow seconded the motion and the following resolutions were 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 BOSTON ROAD RESIDENCE.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2013 SERIES IN A PRINCIPAL AMOUNT NOT EXCEEDING \$24,150,000.**

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**The next item on the agenda were resolutions authorizing financing in an amount not to exceed \$11,550,000 for Mews II Apartments, located in the Town of Somers, Westchester County.** Richard Brown presented this item to the Members in detail. He stated that this project consists of 75 units which include 61 one bedroom units and 14 two bedroom units, all the units are affordable, 15 of the 75 units will be low income units of 50% or lower of AMI and tenants must be 55 years of age or older. He noted that this project meets the fair housing settlement for Westchester to provide affordable housing, Westchester County will be providing \$350,000 in support for this project, and the sponsors of this project are Kearny Realty and the Housing Action Council. He stated that the request for approval for financing of this project is \$11,550,000 tax-exempt bonds, HFA subsidy of \$900,000, and \$743,000 annual allocation of 4% tax credits and \$750,000 of state tax credit equity.

Vice Chairman Steve Weiss noted that he had to recue himself from voting on this project.

Commissioner Towns moved to adopt the resolution; Chairman Mulrow seconded the motion and the following resolutions were 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 THE MEWS AT BALDWIN PLACE PHASE II APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2013 SERIES \_IN A PRINCIPAL AMOUNT NOT EXCEEDING \$11,550,000**

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**The next item on the agenda were resolutions authorizing financing in an amount not to exceed \$11,025,000 for 3361 Third Avenue Apartments, Bronx County.** Richard Brown presented this item in detail to the Members. He stated that the sponsor of this project is Bronx Pro, Strategic Development and Services for the Underserved. He stated this project consists of 63 units of which 38 units are reserved for adults with mental illness and the remaining 24 units are reserved for low income tenants. He noted that there will be a project based Section 8 HAP contract for the 38 OMH units, \$3.9 HCR MRT loan, \$3.9 million HPD Supportive Housing Loan and \$7.7 million in low income housing tax credits. He stated that this project meets the Agency's Green Building Standards as well as the standards of Enterprise Green Communities. He noted that the project creates approximately 120 jobs in the construction services industry and 15 permanent jobs. He stated that the request for approval for financing for this project is \$11,025,000 in tax-exempt bonds, \$728,900 allocation of tax credits, and this project will receive 420c tax abatement from the City of New York and this project is also insured by SONYMA MIF.

Vice Chairman Weiss moved to adopt the resolution; Chairman Mulrow seconded the motion 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 3361 THIRD AVENUE APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2013 SERIES IN A PRINCIPAL AMOUNT NOT EXCEEDING \$11,025,000.**

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**The next item on the agenda were resolutions authorizing financing an amount not to exceed \$6,900,000 for O'Neil Apartments, located at 2121 6th Avenue in the City of Troy Rensselaer County.** Terence Tsang, Underwriter for Multi-Family, presented this item in detail to the Members. He stated that this project is an acquisition and rehabilitation of one seven story multi-family rental building with 115 units. He noted that as part of the rehabilitation of this project there will be four commercial units converted into eight residential units and all the units will be set aside for senior housing. He stated that this project will assist the State's initiative in preserving existing senior housing. He stated that the cost of construction will be \$3.4 million or approximately \$27,000 per unit. He noted that this project would create 50 construction services

related jobs and four permanent jobs. He stated that the request for approval of financing for this project is \$6.9 million of tax-exempt bonds, the annual allocation of \$372,000 of 4% tax credits, a \$1.7 HFA subsidy loan, the project will receive a PILOT from the City of Troy, there is a HAP Section 8 contract and this project is insured through SONYMA's MIF.

Commissioner Towns moved to adopt the resolution; Chairman Mulrow seconded the motion 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 O'NEIL APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2013 SERIES \_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,900,000.**

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**The next item on the agenda was a resolution authorizing the issuance of taxable bonds to fund the acquisition of ESDC mortgage loans.** Marian Zucker presented this item in detail to the Members. She stated that at last month's meeting there was one outstanding item and that item was in regard to the terms under which the Agency will indemnify ESD, its officers and agents for actions related to the Mitchell Lama portfolio and that item has now been resolved and is reflected in the draft letter agreement found in the board materials. She stated that as discussed at the previous meeting, the authorizing resolution before the committee reflects a slight increase in the maximum bond size of \$48 million. She stated that the increase request is to allow some extra room in the event there is a need to include in the bond resolution a bond funded debt service reserve fund. She noted that the Agency is still in conversations with Moody's regarding the bond structure. Mr. Valella clarified that the amended resolution authorizing up to \$54 million is included in the member's package and the slightly revised letter agreement is also in the package. She informed the Board that the Agency has received all of HUD's approvals, the UDC board has acted as well and there will be a briefing of the PACB, the PACB will be meeting the following week, Moody's rating in place next week, the Agency intends to mail the POS and price the following week and close by the end of the month.

Vice Chairman Steven Weiss stated that he had a number of questions and he wanted to thank Chairman Mulrow, Commissioner Towns, and Marian Zucker for their time in answering all his questions. He noted that this effort represents the kind of collaboration between agencies that is very important for this kind of portfolio and his appreciation extends to the other matters on the agenda. He noted that it helps to streamline the board meetings to be able to express those kind of questions and concerns in a thoughtful way and to get the attention to go through those issues before the meeting.

Vice Chairman Weiss moved to adopt the resolution; Chairman Mulrow seconded the motion and the following resolutions were adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY  
AUTHORIZATION AND APPROVING A RESOLUTION AUTHORIZING THE  
ISSUANCE OF BONDS TO ACQUIRE THE UDC MITCHELL LAMA LOAN  
PORTFOLIO AND THE ENTERING INTO OF CERTAIN AGREEMENTS IN  
CONNECTION THEREWITH**

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There being no unfinished business, Chairman Mulrow asked for a motion and a second to adjourn the HFA meeting. Vice Chairman Weiss moved to adjourn; Chairman Mulrow seconded the motion, and the meeting was adjourned at 9:55 a.m.



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Alejandro J. Valella, Acting Secretary