

**MINUTES OF THE 296TH MEETING OF THE MEMBERS OF THE
HOUSING TRUST FUND CORPORATION
HELD ON JUNE 27, 2013 AT 9:30 A.M.**

Locations: 641 Lexington Avenue, President's Conference Room, New York, NY
38-40 State Street, Salo Conference Room, Albany, NY
*locations connected by video-conference

MEMBERS PRESENT:

Darryl C. Towns, Chairman
William Mulrow, Member, represented by Marian Zucker, President, Office of Finance and Development

OTHER PARTICIPANTS:

Kevin Cassidy	Office of Community Renewal
Mark Colon	Deputy Counsel
Gary Connor	Counsel
Michael DeMarco	Director of Internal Audit
Sharon Devine	Deputy Commissioner of Administration
Sean Fitzgerald	Vice President, Office of Finance
Maralyne Fleischman	Director of Asset Management
Karen Hunter	Deputy Director of Corporate Finance
Chris Leo	Vice President, Office of Community Renewal
Frank Markowski	Assistant Treasurer
Matthew Nelson	President, Office of Community Renewal
Heather Spitzberg	SEQRA Officer
Eu Ting-Zambuto	Secretary
Greg Watson	Governmental Relations

Bollam, Sheedy, Torani & Co. LLP:

Brendan Kennedy	Senior Manager
Patricia Toukatly	Senior Associate

There was a quorum with two Members present. Chairman Towns made a motion to call to order the 296th Meeting of the Members of the Housing Trust Fund Corporation ("HTFC"). The motion was seconded by Ms. Zucker.

The first item on the HTFC agenda was the approval of the Minutes of the 295th Meeting held on May 9, 2013. The Minutes of the 295th Members' Meeting were deemed approved.

The second item on the HTFC agenda was a resolution approving the annual independent audit. Mr. Markowski introduced two members of HTFC's auditing firm, Bollam, Sheedy, Torani & Co. LLP ("BST"), Brendan Kennedy and Patricia Toukatly. Mr. Kennedy provided an overview of the presentation. He reported that the audit work was completed on June 17, 2013 and that BST provided multiple deliverables including the independent auditor's report on basic financial statements, yellow book report on internal controls and compliance, and the management letter. He stated that there were no material weaknesses or inconsistencies in internal control and there were no incidents of non-compliance during the audit. He stated that this audit is for compliance with requirements applicable to financial statements, and that a separate firm handles the HTFC federal single audit which is an audit for compliance of federal housing trust fund programs. He reported two uncorrected differences related to accrued vacation and amounts due to DHCR and indicated that these uncorrected differences were relatively inconsequential and had a de minimis impact to the financial statements. Further, he reported that BST issued an unqualified opinion on the basic financial statements, which is the highest level of assurance that BST can provide to the board that the financial statements are free from error or fraud. Mr. Kennedy stated that the Independent Auditor's Report was the only document that BST owns. The other documents are HTFC's documents, and BST was engaged to provide an opinion on these financial statements. He stated that there were a few differences in this opinion from prior opinions based on BST's adoption of auditing standards intended to make the opinion more clear.

Ms. Zucker asked Mr. Kennedy to elaborate on his position that BST considers HTFC's internal controls but does not express an opinion on the effectiveness of HTFC's internal controls. Mr. Kennedy responded that under governmental auditing standards, BST is obliged to consider internal controls and that BST reports any inconsistencies or material weaknesses, however, this report is not an opinion, which is not required.

Mr. Kennedy continued with his presentation of the financial report and provided a brief overview of the section of the Financial Report titled Management's Discussion and Analysis. In summary, he stated that there were no significant changes on how the document was prepared or organized and that activities were relatively consistent with prior periods. He further provided an overview of the Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows. Among the highlights of these statements, Mr. Kennedy stated that there was an increase in mortgage notes receivable and an increase in assets including those from TCAP to be used for future program activities. In response to questions submitted prior to the meeting, Mr. Kennedy stated that restricted net position and unrestricted net position fluctuate based on the timing of when HTFC receives revenues and the timing of when the corporation spends its money. Further, he stated that restricted net position funds are restricted for use for their stated program. Continuing with his presentation, he stated that overall total revenues, total expenses, and cash flows have remained relatively consistent with prior periods.

Addressing the Notes to the Financial Statements, Mr. Kennedy highlighted that Footnote 1 provides an organizational overview and BST's significant accounting policies, including the new accounting pronouncements of GASB 62 and 63. Further, he noted that the remaining unexpected commitments noted in Footnote 8 are earmarked for projects and that all that money

is anticipated to be spent over time.

With respect to the figures used in Footnote 7 regarding post employment benefits, Ms. Zucker asked whether the annual required contribution is based on a per employee basis. Mr. Kennedy responded that it is, however, the figured used reflecting the annual required contribution is rolled over for up to three years, so the figure used is that of the year before. He indicated that this is the third year. Mr. Markowski added that these figures are primarily reflective of health insurance premiums. Mr. Kennedy continued and highlighted the accounting standard pronouncements in Footnote 11.

Next, Mr. Kennedy presented the Schedule of Funding Progress. He stated that the schedule shows HTFC's funded progress as related to the other post employment benefits ("OPEB") plan. He stated that he believed that HTFC may not be permitted to fund its plan. Mr. Markowski added that HTFC has adopted a policy not to fund the OPEB plan, but to his knowledge, he did not believe that there was a requirement not to fund it. He stated that as staff is changeable, there has not been a need to fund OPEB in a meaningful way. Mr. Markowski suggested that if changes were to be made to funding the OPEB plan, that HTFC would consider plans with the other HCR entitles to maintain consistency.

Mr. Kennedy continued with his presentation and gave an overview of the Report on Internal Control over Financial Reporting and on Compliance and other Matters. Mr. Kennedy emphasized that the report was not an opinion and indicated that it is a clean report with cooperation from staff. He stated that BST spent a large majority of time working on cash and investments, mortgage loan receivables, accounts payable and accrued expenses, valuation of other post employment benefits, program revenues and expenses, and financial reporting process and journal entries. Further, he stated that all account balances were appropriately reconciled and adequately supported. Mr. Kennedy discussed required communications including that BST set forth its accounting standards and policies; that there were no unusual transactions, no disagreements with management, no significant issues discussed with management, no difficulties encountered during the audit, no significant deficiencies or material weakness in internal control, and no material uncorrected audit differences; that significant accounting estimates include other postemployment benefits, mortgage loan receivables, and accrued expenses. He further stated that significant written communications between management of the corporation and BST include a management representation letter and a management letter. Mr. Kennedy discussed the management letter and explained BST's comment on expanding signing authority. Mr. Kennedy stated that, in an effort to avoid late payments, the corporation may consider adding an additional signatory. He emphasized that this is not a control deficiency, but rather just a recommendation. Mr. Kennedy also noted observations and suggestions from prior year findings which included a receivable on its books for approximately \$42,000 from 1989 and mortgages and accrued interest receivables.

Ms. Zucker indicated that she had forwarded a few questions or requests for clarification to Mr. Markowski and would plan to contact Mr. Kennedy or Ms. Toukatly. Mr. Markowski offered his assistance with further or remaining questions or requests for clarification as well.

Mr. Markowski acknowledged and thanked Mr. Kennedy and Ms. Toukatly along with

all staff assisting in this process for a job well done.

Ms. Zucker moved to adopt the resolution; Chairman Towns seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve the annual independent audit report submitted by Bollam, Sheedy, Torani and Co. LLP.

Section 2. The Members hereby authorize the Assistant Treasurer or another authorized officer to submit and publish the annual independent audit report in accordance with the Public Authorities Law, the Public Authorities Reform Act of 2009, and in accordance with any other governing regulations.

Section 3. This resolution shall take effect immediately.

The third item on the HTFC agenda was a resolution approving the property disposal guidelines and report. Mr. Markowski presented this item. He stated that there are no changes this year with respect to the guidelines or his designation as the contracting officer. He reported that no real property and no personal property required to be reported as defined in the guidelines were disposed of during the fiscal year.

Ms. Zucker moved to adopt the resolution; Chairman Towns seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve the Property Disposal Guidelines and Property Disposal Report.

Section 2. The Members hereby approve the designation of Assistant Treasurer Frank Markowski as the contracting officer and authorize him or another officer of HTFC to execute any documents which may be necessary and appropriate to effectuate the purpose of this resolution and to file copies of the Property Disposal Guidelines and Property Disposal Report with the Office of the State Comptroller, the Governor's Office, Chairman and Ranking Minority Member of the Senate Finance Committee, Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, each Chair and Ranking member of the Senate and Assembly Committees on Corporations, Authorities and Commissions, the State Comptroller and the Authorities Budget Office, and to publish the Property Disposal Guidelines and Property Disposal Report.

Section 3. This resolution shall take effect immediately.

The fourth item on the HTFC agenda was a resolution approving the procurement contract policy and report. Mr. Markowski presented this item. He stated that there are no changes in the procurement policy. He stated that contracts required to be reported are detailed in the procurement report. Further, he stated that the report reflects the percentages towards MWBE goals.

Ms. Zucker moved to adopt the resolution; Chairman Towns seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve the Procurement Contract Policy and Procurement Contract Policy Report.

Section 2. The Members hereby authorize the Assistant Treasurer or another officer of HTFC to submit and publish the Procurement Contract Policy and the Procurement Contract Policy Report to the Division of the Budget, the Department of Audit and Control, the Department of Economic Development, the Senate Finance Committee and the Assembly Ways and Means Committee in accordance with the Public Authorities Law, the Public Authorities Reform Act of 2009, and in accordance with any other governing regulations.

Section 3. This resolution shall take effect immediately.

The fifth item on the HTFC agenda was a resolution approving the mission statement and performance report. Ms. Ting-Zambuto stated that the Public Authorities Law requires HTFC to annually examine its mission statement and its performance based on its mission statement measurement criteria. She indicated that prior to the meeting, the Members proposed an amendment to the existing mission statement. The Members proposed HTFC's mission statement to be amended as follows: "HTFC's mission is to further the goals of community development through the construction, development, revitalization and preservation of low-income housing and businesses by providing loans and grants to local housing partnerships and municipalities and committed to these goals."

Chairman Towns moved to adopt the revised mission statement and separately, moved to adopt the proposed resolution adopting the mission statement performance report; Ms. Zucker seconded the motions, and the following resolution was adopted:

Section 1. The Members hereby approve and adopt the revised mission statement.

Section 2. The Members have reviewed the performance of the HTFC against its performance measurements as set forth in the Report on Performance Based on Mission Statement Measurement Criteria and

hereby determine that that the HTFC is satisfying its mission as set forth in its mission statement.

Section 3. The Members hereby authorize the mission statement and the Report on Performance Based on Mission Statement Measurement Criteria to be published in accordance with the Public Authorities Law and any other reporting requirements.

Section 4. This resolution shall take effect immediately.

The sixth item on the HTFC agenda was a resolution approving the annual report on operations and accomplishments. Ms. Ting-Zambuto stated that the Public Authorities Reform Act requires HTFC to issue an annual report setting forth its operations and accomplishments. She stated that the operations and accomplishments report was compiled from information from program offices.

Ms. Zucker commended staff for a job well done.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve the Operations and Accomplishments Report and authorize the Report to be submitted and published in accordance with the Public Authorities Reform Act of 2009 or any other reporting requirements.

Section 2. This resolution shall take effect immediately.

The seventh item on the HTFC agenda was a resolution approving the investment policy and report. Mr. Markowski presented this item and reported that there are no changes being recommended to the policy from last year. He stated that the investment report indicates HTFC's investments as of March 31, 2013 and the interest that was earned during the fiscal year. He stated that interest was been relatively minimal due to low investment rates. He stated that the report highlights some accrued interest information and fees paid for investment servicing, primarily through the fees to its custodian and investments agent, the NYS Commissioner of Taxation and Finance. He states that those fees have increased, largely due to fees associated with the Housing Choice Voucher Programs and the way the programs are handled through Bank of America.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby adopt the Investment Policy and Annual Investment Report as of March 31, 2013.

Section 2. The Members hereby authorize the Assistant Treasurer or another authorized officer to submit and publish the Investment Policy and Annual Investment Report in accordance with the Public Authorities Law, the Public Authorities Reform Act of 2009, and any other governing regulations.

Section 3. This resolution shall take effect immediately.

The eighth item on the HTFC agenda was a resolution approving the results and submission of board self-evaluation. Mr. Connor stated that a proposed standard evaluation form was submitted to the Members, and the Members proposed a modification to the evaluation criteria. The criteria was modified to include the delegation to staff of responsibility of external reporting. Mr. Connor stated that the Members submitted evaluations with the modified criteria. He presented the Members with the opportunity to discuss the evaluation in an executive session. No executive session was requested.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby adopt the modified board evaluation form.

Section 2. The Members hereby determine that after analyzing and discussing the aggregate results of the evaluation, there is no need for the board to improve its performance, amend its practices or procedures, or clarify its expectations of board members.

Section 3. The Members hereby direct Counsel to timely effectuate the mandated filing of the aggregated evaluation results with the Authorities Budget Office.

Section 4. This resolution shall take effect immediately.

The ninth item on the HTFC agenda was a resolution approving a Home award increase for the 55 Garden Street Project. Mr. Fitzgerald presented that this item is for an increase in HTFC financing for the 55 Garden Street Project, a five-unit affordable rental project located in Poughkeepsie. He stated that the project is sponsored by Hudson River Housing Corp. Mr. Fitzgerald stated that funds were originally awarded in November 2009, but that the project encountered additional costs due to lead and asbestos remediation. Mr. Fitzgerald stated that the project sponsor is already covering costs through a project sponsor loan and has limited capacity to account for these costs. Lastly, he indicated that factors considered in recommending the award increase included the preservation of HTFC's investment and the overall quality of the project.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve an additional award of \$69,452 in HOME Program funds for the 55 Garden Street Project, upon its satisfactory compliance with any relevant pre-contract conditions as required by statute or regulation, and upon such terms and conditions as set forth by HTFC.

Section 2. The Members hereby authorize the President of the Office of Finance and Development or another authorized officer of HTFC, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

The tenth item on the HTFC agenda was a resolution accepting the documentation and classification of the environmental impact of Community Development Block Grant (“CDBG”) Disaster Recovery (“DR”) housing assistance projects subject to SEQRA. Ms. Spitzberg presented this item and recommended a negative declaration for the mitigation and rehabilitation aspects of the CDBG-DR Housing Assistance program projects. She stated that specific project sites have not yet been chosen and will be chosen on a rolling basis, however, a generic environmental review has been conducted. Ms. Spitzberg stated that as specific sites are chosen, they will be reviewed for compliance with an additional review. She indicated that the findings and determinations based on site specific SEQRA reviews for all CDBG-DR Housing Assistance Program Projects will be presented to the Members as informational items as the information becomes available.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby adopt the recommendation that the CDBG-DR Housing Assistance Program Projects be classified as UNLISTED with a NEGATIVE DECLARATION under SEQRA with a generic environmental review, conditioned upon a site specific review by the SEQRA Officer confirming the same.

Section 2. The Members hereby authorize staff of the SEQRA Office or another HTFC officer to execute any documents in accordance with the applicable provisions of law to effectuate the purpose of this resolution.

Section 3. This resolution shall take effect immediately.

The eleventh item on the HTFC agenda was a resolution accepting the documentation and classification of the environmental impact of Sheridan Hollow 2013 and Dean Street Projects subject to SEQRA. Ms. Spitzberg presented this item. She stated that Sheridan Hollow 2013 project is the new construction of ten units on vacant lots in Albany using Home LPA funds. The Dean Street Project is the new construction of 15 units for families on a vacant lot in Kings County using HTF funds. She stated that both projects are unlisted actions, and she recommended a negative declaration for both projects.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby accept the SEQRA documentation for the projects named Sheridan Hollow 2013 and Dean Street including the SEQRA Control Letter, Short Environmental Assessment Form, and Negative Declaration Notice of Determination of Non-Significance, conditional upon the satisfactory resolution of any adverse conditions identified therein.

Section 2. The Members hereby adopt the recommendation that Sheridan Hollow 2013 and Dean Street projects be classified as UNLISTED with a NEGATIVE DECLARATION under SEQRA.

Section 3. The Members hereby authorize HTFC to execute any documents in accordance with the applicable provisions of law to effectuate the purpose of this resolution.

Section 4. This resolution shall take effect immediately.

The twelfth item on the HTFC agenda was a resolution approving award for economic development under the CDBG Program to Steuben County. Mr. Nelson presented that Steuben County has requested \$300,000 in CDBG economic development funds on behalf of World Kitchen, LLC to assist in the expansion of its facilities. Mr. Nelson described the company and stated that the Corning, NY Pressware facility currently has eight lines of production. He stated that World Kitchen is adding a ninth production line in Corning to meet demand, but in order to bring this line into production, spending will need to take place for the purchase of refractory, precious metals, forming equipment and molds. He stated that the total project cost is \$9 million and the project will create 20 full-time equivalent jobs, with 13 to benefit low- and moderate-income persons. He stated that the CDBG funds will be used toward equipment purchases, with company equity covering the remaining investment and the cost per job is not to exceed \$15,000.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve an award of Community Development Block Grant Program funds for economic development to Steuben County in the amount of \$300,000 to assist World Kitchen, LLC in its expansion project through an additional production line at its Corning, New York Pressware facility, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulations, and upon such other terms and conditions as agreed upon.

Section 2. The Members hereby authorize the President of the Office of Community Renewal or another authorized officer, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

Chairman Towns asked Mr. Nelson if HTFC was expected to become involved with the Start-Up New York program. Mr. Nelson responded that his office has not been asked to become involved in the initiative, but that HTFC's projects would not be excluded from the program. He further stated that HTFC has a sizeable surplus of CDBG funds for economic development from last year, and that HTFC would take any opportunity to tap into those funds.

The next item on the HTFC agenda was a resolution approving an emergency expenditure for the Fish Street Project. Ms. Fleishman presented this item and recommended an emergency award to the Fish Street Project in the amount of \$65,150 to stabilize the property both physically and fiscally. She stated that this step is the end of an eight year journey to preserve HTFC's original investment. She described the project and discussed its ownership and management history which changed from RPC of Dutchess County to Housing Resources of Columbia County ("HRCC"), and as circumstances at HRCC changed and HRCC was no longer able to manage the property, to Hudson River Housing ("HRH"). She stated that since July 15, 2010, HRH has managed the property and has completed the majority of the work to rehabilitate the property. Ms. Fleischman indicated that the Attorney General's Office represented DHCR in a "non-judicial" foreclosure of the HTFC mortgage, a signed judgment had been obtained, and it was expected that the property be turned over to HRH in September. She stated that the requested funds of \$65,150 will complete the necessary repairs to rehabilitate the property and cover various soft costs. She stated that once the remaining rehabilitation is performed and the taxes reduced, it is anticipated that the project will have 4 income producing units that will generate sufficient cash flow for the property to be self-sustaining.

Ms. Zucker acknowledged the difficulty of saving this project and acknowledged Ms. Fleischman's efforts for seeing it through to completion.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve the use of Low Income Housing Trust Fund Program funds in the amount of \$65,150 to be used for purposes including payment of costs accrued for repairs to address the immediate health and safety needs of the property and other necessary maintenance repairs, costs accrued for energy saving measures, deferred maintenance, past due management fees, reimbursement of property taxes, funds to replace operating reserve accounts, and costs in connection with foreclosure proceedings.

Section 2. The Members hereby authorize the President of the Office of Housing Preservation or other authorized officer to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

Ms. Ting-Zambuto stated that the following five items are resolutions confirming actions previously approved in writing. She stated that confirmation is required to maintain the effectiveness of the resolutions.

The next item on the HTFC agenda was a resolution confirming the approval of an award for economic development under the CDBG Program to Chautauqua County. Ms. Ting-Zambuto stated that the Members approved a CDBG Program award to Chautauqua County for economic development in the amount of \$616,000 to assist Saturn Petcare on May 30, 2013. There was no request for a further presentation.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby confirm the resolution passed in writing on May 30, 2013, approving an award CDBG Program funds for economic development to Chautauqua County in the amount of \$616,000 to assist Saturn Petcare, Inc. with the acquisition and renovation of an existing manufacturing facility in Ashville, New York, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulations, and upon such other terms and conditions as agreed upon.

Section 2. The Members hereby confirm the resolution authorizing the President of the Office of Community Renewal or another authorized officer to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution confirming authorization for engagement of Padilla and Co., LLC and Financial Business Solutions, LLC to conduct a review of local administrators repayment agreement refunds. Ms. Ting-Zambuto stated that the Members approved the engagement of Padilla and Company and Financial Business Solutions to conduct a review of repayment agreement refunds through local administrators on May 30, 2013. There was no request for a further presentation.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby confirm the resolution passed in writing on May 30, 2013, approving the engagement of Padilla and Company, LLC and Financial Business Solutions, LLC to conduct a review of repayment agreement refunds through Local Administrators for services at an hourly rate; hourly rates for Padilla and Company, LLC average \$80 per hour and hourly rates for Financial Business Solutions, LLC average of \$120 per hour, combined for all staff levels.

Section 2. The Members hereby confirm the resolution passed in writing authorizing Sharon Devine, HCR's Acting President of Professional Services, Michael DeMarco, DHCR Director of Internal Audit, or an authorized officer of HTFC to execute any documents which may be necessary and appropriate to effectuate the purpose of this resolution.

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution confirming the approval of awards for economic development under the CDBG Program to the Town of Cortlandville and the City of Norwich. Ms. Ting-Zambuto stated that the Members approved CDBG Program awards for economic development to the Town of Cortlandville in the amount of \$750,000 to assist Byrne Dairy and to the City of Norwich in the amount of \$100,000 to assist Label Gallery on June 19, 2013. There was no request for a further presentation.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby confirm the resolution passed in writing on June 18, 2013 and June 19, 2013 approving an award of CDBG Program funds for economic development to Town of Cortlandville in the amount of \$750,000 to assist Byrne Dairy in its expansion project through its development of a 42,000 square-foot yogurt plant in the Town of Cortlandville, upon its satisfactory

compliance with any pre-contract conditions as required by statute or regulations, and upon such other terms and conditions as agreed upon.

Section 2. The Members hereby confirm the resolution passed in writing on June 18, 2013 and June 19, 2013 approving an award of CDBG Program funds for economic development to City of Norwich in the amount of \$100,000 to assist Label Gallery, Inc. in its expansion project through the purchase of a digital printing press, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulations, and upon such other terms and conditions as agreed upon.

Section 3. The Members hereby confirm the resolution passed in writing authorizing the President of the Office of Community Renewal or another authorized officer, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 4. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution confirming the approval of an award under the CDBG Disaster Recovery Program to the City of Long Beach. Ms. Ting-Zambuto stated that the Members approved an award of \$500,000 under the CDBG Disaster Recovery Program to the City of Long Beach for the City's marketing and advertising campaign project approved on June 19, 2013. There was no request for a further presentation.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby confirm the resolution passed in writing on June 18, 2013 and June 19, 2013 approving \$500,000 under the Community Development Block Grant Disaster Recovery Program to the City of Long Beach for the City's marketing and advertising campaign project.

Section 2. The Members hereby confirm the resolution passed in writing authorizing HTFC's President of the Office of Community Renewal or another authorized officer, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution confirming authorization for the engagement of firms for services to assist Community Reconstruction Zone Plans. Ms. Ting-Zambuto stated that the Members authorized HTFC to engage select firms to assist Community Reconstruction Zone Planning Committees on June 19, 2013. There was no request for a further presentation.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby confirm the resolution passed in writing on June 18, 2013 and June 19, 2013 approving the entering into of contracts with the firms identified below to assist CRZ Planning Committees in producing CRZ plans, as well as the completion of any and all critical studies to determine the key vulnerabilities and needs of the community which will be used to support the creation of CRZ plans:

AKRF/CDM Smith
Arup
Ecology & Environment
HR&A Advisors/Parsons Brinckerhoff
Jacobs
Parsons Transportation
Perkins Eastman
Tetrattech
URS

Section 2. The Members hereby confirm the resolution passed in writing authorizing the President of the Office of Community Renewal or another authorized officer to execute any documents which may be necessary and appropriate to effectuate the purpose of this resolution.

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution approving awards under the CDBG Program from the Community Renewal Fund. Mr. Leo presented that the proposed awards are being requested pursuant to the second round of the Regional Economic Development Council Initiative. He stated that an additional \$13 million in CDBG Program funding was allocated through the Community Renewal Fund to Regional Economic Development Councils of Western New York, Central New York, Mohawk Valley, and North Country. He stated that the Community Renewal Fund was created to provide additional funding to these councils so that they can select additional projects for CDBG funding, and the councils have identified projects for Housing Rehabilitation, Public Infrastructure and Public Facility improvements and Economic Development activities for the benefit of low to moderate-income individuals. Mr. Leo stated that the selection process was designed at the regional council level

in conjunction with the Office of Community Renewal. He stated that projects nominated by the councils for funding have completed pre-application forms to determine threshold eligibility, and formal applications are being reviewed using the usual CDBG criteria. Mr. Leo indicated that at this juncture, staff is seeking the authority to commit the \$13 million and that the timing of such awards is important as the funds are intended to be committed within federal time limits of the CDBG program. He indicated that staff will report back on the final award amount and any performance metrics.

Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby approve awards under the CDBG Program from the Community Renewal Fund for the applicants and in the amounts identified below for Housing Rehabilitation, Public Infrastructure and Public Facility improvements and Economic Development activities for the benefit of low to moderate-income individuals, contingent on upon staff's review of the formal CDBG Program application submitted for each project and confirmed determination of eligibility:

Region	Category	Applicant	Project Title	Requested Amount
Western New York	Economic Development	Village of Bemus Point	Casino Project	\$400,000
Western New York	Economic Development	Village of Franklinville	Ontario Knife	\$200,000
Western New York	Economic Development	Town of Ripley	Regal Services Company	\$616,000
Western New York	Economic Development	City of North Tonawanda	City of North Tonawanda Micro Enterprise	\$200,000
Western New York	Economic Development	City of North Tonawanda	Carnegie Arts Center	\$240,000
Western New York	Economic Development	City of Lockport	Lockview Hotel & Brewpub	\$316,000
Western New York				\$1,972,000
North Country	Housing	St. Lawrence County	St. Lawrence County	\$850,000

North Country	Economic Development	Clinton County	Prevost Manufacturing	\$150,000
North Country				\$1,000,000
Mohawk Valley	Economic Development	Fulton County	Microenterprise Project	\$200,000
Mohawk Valley	Housing	Herkimer County	Herkimer County Housing Rehabilitation	\$600,000
Mohawk Valley	Public Facilities	Villages of Fultonville and Fonda	Fonda-Fultonville-Glen & Mohawk Sewage Treatment	\$600,000
Mohawk Valley	Economic Development	Oneida County	Oneida County Microenterprise Grant Program	\$200,000
Mohawk Valley	Economic Development	Otsego County	Oneonta Microenterprise Program	\$200,000
Mohawk Valley	Public Facilities	Town of Cobleskill	Route 7 Water & Sewer	\$500,000
Mohawk Valley	Public Facilities	Cities of Johnstown & Gloversville	Johnstown-Gloversville WWTF Improvements	\$700,000
Mohawk Valley	Economic Development	Herkimer County IDA	Northern Safety, Inc.	\$265,000
Mohawk Valley	Economic Development	City of Amsterdam	Mohawk Architectural Aluminum Products	\$600,000
Mohawk Valley	Economic Development	Oneida County	Marcy NanoCenter Farmer Parcel Loop/Ring Road Extension	\$500,000
Mohawk Valley	Economic Development	Otsego County	Brooks Bottling Co. LLC	\$100,000
Mohawk Valley	Housing	Schoharie County	Schoharie County Housing	\$500,000

Mohawk Valley	Public Facilities	City of Johnstown	Johnstown Water Treatment Plant Improvements	\$400,000
Mohawk Valley	Economic Development	Herkimer County	Burrows Paper Equipment Upgrade	\$90,000
Mohawk Valley	Economic Development	City of Amsterdam	East End Market	\$40,000
Mohawk Valley	Economic Development	Oneida County	JDLR Enterprises (Noble Wood Shaving)	\$75,000
Mohawk Valley	Economic Development	Otsego County	Custom Electronics Inc.	\$105,000
Mohawk Valley	Economic Development	Schoharie County	KyMar Farm Winery and Distillery LLC	\$80,000
Mohawk Valley	Economic Development	Herkimer County IDA	Ruby Lake Glass, LLC	\$86,000
Mohawk Valley	Economic Development	City of Amsterdam	GIANT Solutions, LLC	\$50,000
Mohawk Valley	Economic Development	Oneida County	Villa Verona Vineyards (Mary Jo Beach)	\$100,000
Mohawk Valley	Economic Development	Otsego County	Ioxus Inc.	\$206,000
Mohawk Valley	Economic Development	Schoharie County	Three Johns, LLC/Bulls Head Inn	\$100,000
Mohawk Valley	Economic Development	Herkimer County IDA	Hummel's Office Equipment Co.	\$45,000
Mohawk Valley	Economic Development	Village of St. Johnsville	Gehring Tricot Corp.	\$90,000
Mohawk Valley	Housing	Oneida County	Oneida County Housing Rehabilitation	\$600,000
Mohawk Valley	Housing	City of Oneonta	Oneonta Affordable Housing Development & Neighborhood	\$400,000

			Revitalization	
Mohawk Valley	Economic Development	Schoharie County	New England Calendar Inc.	\$25,000
Mohawk Valley	Economic Development	Village of Dolgeville	Gehring Tricot Corp.	\$60,000
Mohawk Valley	Economic Development	City of Amsterdam	Vida-Blend Inc.	\$26,000
Mohawk Valley	Economic Development	Oneida County	Pumilia Pizza Shells	\$100,000
Mohawk Valley	Public Facilities	City of Oneonta	Oneonta Wilber Park Poolhouse Upgrade	\$241,000
Mohawk Valley	Economic Development	Schoharie County	FindCo. LLC	\$25,000
Mohawk Valley	Economic Development	City of Amsterdam	Saratoga Horse works	\$25,000
Mohawk Valley	Economic Development	Schoharie County	MyMobie	\$25,000
Mohawk Valley	Economic Development	City of Oneonta	Latte Lounge	\$41,000
Mohawk Valley				\$8,000,000
Central New York	Housing	City of Cortland	Acquisition/Rehab Program	\$400,000
Central New York	Economic Development	City of Oneida	All Seasonings, Inc.	\$436,000
Central New York	Economic Development	Town of Cazenovia	Empire Farmstead Brewery, Inc.	\$516,000
Central New York	Economic Development	Town of Cortlandville	Innovative Manufacturing Solutions, LLC	\$100,000
Central New York				\$1,452,000

Section 2. The Members hereby authorize HTFC's President of the Office of Community Renewal or another authorized officer, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

Mr. Nelson expressed his thanks to Mr. Leo for his work on the Community Renewal Fund projects. He stated that while these projects are funded through allocations to the Regional Economic Councils, they are not restricted to economic development and can also assist in housing activities.

The next item on the HTFC agenda was a resolution approving a sub-recipient agreement with Community Development and Disaster Relief Corporation. Mr. Nelson presented this item and stated that the Community Development and Disaster Relief Corporation is a newly established not-for-profit subsidiary of the Long Island Housing Partnership, which was formed solely to carry out Long Island Housing Partnership's disaster relief functions with HTFC. Mr. Nelson stated that the parties have agreed to a proposed scope of work which includes community outreach, municipal outreach, contractor outreach, non-profit outreach, and assistance with the development of program policies and procedures. The proposed budget amount is \$789,000 through the end of March 2015.

Ms. Zucker asked if there were deadlines for deliverables or performance metrics. Mr. Nelson responded that there were metrics, for example, under community outreach, a minimum of events. He indicated that some of this would be front-loaded and some of this would be follow-up, but that the implementation would be evolutionary based on analysis of impact.

Chairman Towns commented on the importance of having performance metrics. Mr. Nelson indicated that Long Island Housing Partnership has been working with HTFC, and that this contract formalizes the relationship. Mr. Nelson indicated that he recently attended a roundtable with Community Development and Disaster Relief Corporation, and he observed that the corporation has already hit the ground running.

Ms. Zucker asked if the corporation is staffed. Mr. Nelson stated that the corporation is currently utilizing existing staff and it projects to add an additional 5 to 15 jobs both short and long term to supplement staff. Chairman Towns asked about the purpose of the entity. Mr. Nelson responded that it was originally intended for a related purpose.

An oral resolution was proposed. Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby authorize HTFC to enter into a sub-recipient agreement with Community Development and Disaster

Relief Corporation in accordance with the scope of work as proposed in the amount of \$789,000 through March 2015.

Section 2. The Members hereby authorize HTFC's President of the Office of Community Renewal or another authorized officer, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution approving a sub-recipient agreement with New York State Urban Development Corporation doing business as Empire State Development ("ESD"). Mr. Nelson presented that the purpose of this assistance is to provide support to New York Small Business Storm Recovery Programs. He stated that the first component of assistance is for ESD's role in assisting the implementation of the tourism marketing campaign, which is a \$30 million allocation in the State's Action Plan designed to produce television and other related marketing tools to reinvigorate tourism in areas impacted. He stated that the first of the television advertisements has been launched. Chairman Towns commented that he has seen commercials highlighting that the State is "Stronger than the Storm."

Mr. Nelson stated that the second component is work to be done by ESD in recovery program marketing to promote the availability of assistance under the business assistance programs. He stated that \$7,500,000 has been allocated for this component. He stated that the third component is for ESD to provide small business consulting and mentoring in an amount not to exceed \$3,000,000 to assist small businesses to rebuild their business.

Ms. Zucker asked how much money from the CDBG-DR allocation remained. Mr. Nelson stated that it depends on how much is actually spent. These are "up to" amounts. Ms. Zucker asked if the deadline to use these funds is also two years. Mr. Nelson confirmed that the deadline is two years from the date that the grant agreement is signed, so the two years has not yet begun. He stated that of the \$1.7 billion total award, HTFC has requested funds in parts, so the deadline to use each part of the funds will be a rolling two years based on the date that the grant agreements are signed.

An oral resolution was proposed. Chairman Towns moved to adopt the resolution; Ms. Zucker seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby authorize HTFC to enter into a sub-recipient agreement with New York State Urban Development Corporation doing business as Empire State Development to assist in the implementation of the tourism marketing campaign in the amount of up to \$30,000,000; to provide recovery program marketing in the amount of up to \$7,500,000; and to provide the small business consulting and mentorship in the amount of up to \$3,000,000.

Section 2. The Members hereby authorize HTFC's President of the Office of Community Renewal or another authorized officer, subject to the provisions of this resolution, to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately.

The remaining items were information items. There were no requests for presentations on the remaining items.

There being no further business, the meeting was adjourned upon a motion made by Ms. Zucker and seconded by Chairman Towns.

Dated: June 27, 2013

/s/Eu Ting-Zambuto
Eu Ting-Zambuto
Secretary