

**MINUTES OF THE 300TH MEETING OF THE MEMBERS OF THE
HOUSING TRUST FUND CORPORATION
HELD ON NOVEMBER 7, 2013 AT 8:30 A.M.**

Locations: 641 Lexington Avenue, New York, NY 10022 and
38-40 State Street, Salo Conference Room, Albany, NY
*locations connected by video-conference

MEMBERS PRESENT:

Darryl C. Towns, Chairman
Marian Zucker for William Mulrow, Member

OTHERS PRESENT:

Gail Bressler	Vice President, Office of Finance and Development
Gary Connor	Counsel
Sharon Devine	President, Office of Professional Services
Laurice Firenze	Supervising Attorney-Disaster Recovery
Sean Fitzgerald	Vice President, Office of Finance and Development
Karen Hunter	Assistant Treasurer
Frank Markowski	Treasurer
David Muchnick	Vice President, Policy-NYS Homes and Community Renewal
Matthew Nelson	President, Office of Community Renewal
Heather Spitzberg	SEQRA Officer

There was a quorum with two Members present. Chairman Towns made a motion to call to order the 300th 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 299th meeting held on October 10, 2013. The minutes of the 299th Members’ meeting were deemed approved.

The second item on the HTFC agenda was a resolution appointing a co-SEQRA officer. Mr. Connor presented that Len Sedney, the SEQRA officer for the New York State Housing Finance Agency (“HFA”) and the New York State Affordable Housing Corporation (“AHC”) is being recommended as a co-SEQRA officer for HTFC. Correspondingly, an appointment was made for HTFC’s SEQRA officer, Heather Spitzberg, to be the co-SEQRA officer for the other New York State Homes and Community Renewal entities. He stated that this would promote greater efficiency between the entities.

Ms. Zucker indicated her support of this proposal. Chairman Towns concurred. Ms. Zucker moved to adopt the resolution; Chairman Towns seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby appoint Len Sedney as an additional SEQRA officer for HTFC.

Section 2. This resolution shall take effect immediately.

The third item on the HTFC agenda was a resolution approving Community Development Block Grant (“CDBG”) program awards for economic development to Delaware County, Columbia County, and Chautauqua County. Mr. Nelson presented the first recommended award for \$610,000 to Delaware County for the Data Control Group, LLC. He stated that the award proposes to create 391 new full-time equivalent jobs, of which 254, 65%, will be made available to low- and moderate- income individuals. He stated that the award will leverage a \$2.2 million investment and assist in the consolidation of operations and expansion to a new facility. The program funds will be used for the purchase of furniture, fixtures, and related equipment and for workforce development expenditures.

Ms. Zucker asked if there is a range for investment per job, as the investment per job for the three awards varied. Mr. Nelson responded that traditionally, HTFC has a cap of about \$15,000 per job, but that HUD allows up to \$35,000 and \$50,000 for different categories of assistance. He stated that the State’s target on investment per job is much lower than required by HUD in part to enable HTFC to have better control of the leverage of dollars and the outcome.

Ms. Zucker asked if there is a way of tracking performance or if there is an actual average investment per job. Mr. Nelson responded that all grantees are required to submit annual performance reports and, at the close-out of grants, they are required to report actual performance. If actual performance does not meet HTFC’s requirements, HTFC can ask for funds to be repaid.

The second award was a recommendation for \$516,000 to Columbia County to assist Ginsberg’s Foods, Inc. in an \$11 million expansion project. Mr. Nelson stated that the project proposes to create 25 full-time jobs over two years, with 15, 60%, to benefit low- and moderate-income persons. The program funds will be used to offset the costs of fixtures and equipment, including the racking system needed for food storage.

The third award was a recommendation for \$616,000 to Chautauqua County to assist Empire Specialty Cheese Co., LLC with the acquisition and renovation of a facility in Ashville, New York to expand in operations in New York. He stated that the investment is expected to create 55 new full-time jobs, with 47, 85%, to benefit low- and moderate-income persons, which exceeds the requirement of 50%. The investment per full-time equivalent job is \$11,200, which is below the State’s target for investment per job. He further stated that the company is looking to make a significant investment in New York and was recently announced by the Governor’s office to be the recipient of assistance through Empire State Development and new market tax

credit incentives. The long term projection of jobs created is for over 200 jobs but 55 jobs are being targeted with HTFC's investment. The total project cost is over \$6 million.

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

Section 1. The Members hereby approve an award of CDBG Program funds for economic development to Delaware County in the amount of \$610,000 to assist in the expansion of Data Control Group, LLC, 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 approve an award of CDBG Program funds for economic development to Columbia County in the amount of \$516,000 to assist in the expansion of Ginsberg's Foods, Inc. 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 approve an award of CDBG Program funds for economic development to Chautauqua County in the amount of \$616,000 to assist in the expansion of Empire Specialty Cheese Co., LLC, 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 4. 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 5. This resolution shall take effect immediately.

The fourth item on the HTFC agenda was a resolution approving awards for Wyandanch Rising B Apartments and Lace Factory Apartments under the New York State Homes for Working Families Program. Ms. Bressler presented that the Lace Factory Apartments are the gut-rehabilitation and conversion of an old mill to 55 affordable housing units. An award of \$2,000,000 is being recommended under the Homes for Working Families Program to help subsidize the project. The project is on the state and national registers of historic places. The project will have space for artists, community space, a garden, and it is near the Ulster Performing Arts Center. The project was also approved by the HFA board.

Mr. Nelson stated that the applicant has also applied under the CFA for additional funding under the Urban Initiatives Program.

Further, Ms. Bressler presented the recommendation for Wyandanch Rising. She recommended \$1,976,000 to support the project and stated that the project is a high priority project for the agency, with another phase of the project approved as a 9% deal.

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 awarding of up to \$1,976,000 under the Homes for Working Families Program for Wyandanch Rising B Apartments and the entering into of regulatory agreements with the applicant, upon such other terms and conditions as set forth under program guidelines.

Section 2. The Members hereby approve the awarding of up to \$2,000,000 under the Homes for Working Families Program for Lace Factory Apartments and the entering into of regulatory agreements with the applicant, upon such other terms and conditions as set forth under program guidelines.

Section 3. The Members hereby approve 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 4. This resolution shall take effect immediately.

The fifth item on the HTFC agenda was a resolution approving SEQRA documentation and classification of the environmental impact of four projects. Ms. Spitzberg presented the four projects and recommended that all four projects be classified as unlisted with a negative declaration. She stated that the first three projects are joint projects with HFA: the Norwood Terrace Apartments in Bronx County use Medicaid Redesign Team funds for the construction of 115 residential units; the Lace Factory Apartments use Homes for Working Families funds for the adaptive reuse and construction of 55 units in Ulster County; and 6469 Broadway Apartments use Medicaid Redesign Team funds for the construction of 86 units in Bronx County. Lastly, she stated that the fourth project is Joslyn Court III and IV in Onondaga County. The project is for the construction of 36 units of housing using Home, Low-Income Housing Trust Fund, Urban Initiatives, and Low-Income Housing Credits.

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

Section 1. The Members hereby accept the SEQRA documentation for the projects for the Norwood Terrace, Joslyn Court III and IV, Lace

Factory Apartments, 6469 Broadway, including the Environmental Assessment Forms and the Negative Declarations-Notice of Determination of Non-Significance, and hereby adopt the recommendation that the Norwood Terrace, Joslyn Court III and IV, Lace Factory Apartments, 6469 Broadway projects be classified as UNLISTED with a NEGATIVE DECLARATION under SEQRA.

Section 2. The Members hereby authorize the SEQRA Officer or any authorized 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 sixth item on the HTFC agenda was a resolution confirming an agent designation for the corporation. Ms. Ting-Zambuto stated that on October 25, 2013, James Rubin, the Director of Community Reconstruction and Public Infrastructure/Facilities, was approved to be an agent and an authorized signatory for the corporation for CDBG Disaster Recovery contracts relating to the New York Rising Community Reconstruction Program and of public infrastructure/facilities programs. The resolution enables Mr. Rubin to execute contracts without further action by the Members, provided that he reports all action to the Members. She stated that confirmation is required to maintain the effectiveness of the resolution.

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

Section 1. The Members hereby confirm the resolution passed in writing on October 25, 2013 designating the Director of Community Reconstruction and Public Infrastructure/Facilities as an agent of HTFC and an authorized signatory of HTFC with the authority to enter into contracts and execute and deliver instruments for the administration of the New York Rising Community Reconstruction Program and public infrastructure/facilities programs, consistent with the State's CDBG Disaster Recovery Action Plan without further action by the Members; provided, that (i) all such contracts and/or instruments are within the amount permitted by HUD or other federal agencies; (ii) the signing of all such contracts and/or instruments be reported to the Members at the next scheduled meeting of the Members following such signing; (iii) no such contract or instrument shall be effective unless and until approved by the Disaster Recovery/New York Rising Community Reconstruction Program Counsel as to form and by the Treasurer as to financial sufficiency; and (iv) for each such contract, the Director of Community Reconstruction and Public Infrastructure/Facilities shall certify to compliance with all applicable Federal, State and local laws, rules and

regulations, HTFC policies and CDBG Disaster Recovery policies and guidelines, and otherwise as required in a form of certification approved by HTFC Counsel.

Section 2. The Members hereby confirm the resolution passed in writing on October 25, 2013 authorizing the Treasurer to establish segregated funding accounts for the New York Rising Community Reconstruction Program and public infrastructure/facilities programs, consistent with the State's CDBG Disaster Recovery Action Plan, and as applicable, authorize the Treasurer to disburse funds from such accounts, upon the presentation of a document executed certifying that such monies are due and owing under those contracts.

Section 3. The Members hereby confirm the resolution passed in writing on October 25, 2013 authorizing the Director of Community Reconstruction and Public Infrastructure/Facilities to designate one person as his designee for the limited purpose of signing and executing warrants to authorize the Treasurer to disburse funds in accordance with Section 2.

Section 4. The Members hereby confirm the resolution passed in writing on October 25, 2013 authorizing the President of the Office of Community Renewal, the Director of Storm Recovery, the Director of Community Reconstruction and Public Infrastructure/Facilities or any authorized officer of HTFC to execute any documents which may be necessary and appropriate to effectuate the purposes of this resolution, except where limited to specific officers or agents.

Section 5. The Members hereby confirm the resolution passed in writing on October 25, 2013 setting forth that the Chair of HTFC may revoke and rescind this resolution upon notice to the Members and the Director of Community Reconstruction and Public Infrastructure/Facilities.

Section 6. This resolution shall take effect immediately.

Items 7 through 10 were informational items. The seventh item on the HTFC agenda was a review of SEQRA Type II actions. The eighth item on the agenda was notice of a modification of CDBG Program award for economic development.

The ninth item on the agenda was the introduction of quarterly reports summarizing the status of projects in receipt of awards. Mr. Fitzgerald presented a proposed quarterly reporting process for multi-family projects that received prior award authorization from the HTFC board. He stated that the reporting effort is an extension of a tracking process that was

implemented about two years ago at the direction of the Office of Finance and Development's executive staff. One goal of the report is to supplement communications between staff and the board. He stated that quarterly reports will be organized based on whether an award was authorized pursuant to a unified funding round or whether an award was authorized pursuant to an open window program application process. Both types of awards will be categorized into one of five development stages. He referenced and described the attached draft report and indicated that the report is being refined over the next month, and he welcomed comments or suggestions on the format and content.

Ms. Zucker stated that she thought that the report was great and thanked Mr. Fitzgerald for his initiative.

Mr. Nelson commented that the report is a fantastic idea and he proposed meeting with Mr. Fitzgerald to discuss either adopting and copying the report for his office's program awards or including his office's program awards into the report. Mr. Fitzgerald welcomed the proposal.

Item 10 was replaced by New Business Item 3. There were three new items of business.

The first item of new business was a resolution adopting amendments to the procurement contracts guidelines. Mr. Markowski presented this item. He stated that amendments have become necessary for reasons including to address changes in the Public Authorities Law, to align the policy to the extent possible with the policies of the other HCR entities, to enable the corporation to more efficiently and expeditiously move forward in the processing of its contracts, and to address various procurements which have been made necessary due to disaster recovery funding and the additional personnel hired for disaster recovery. He stated that the current proposed amendments include updates to definitions and updates to the discretionary buying threshold, and that another set of amendments may be proposed in a subsequent month after correspondence with HFA personnel, to align additional areas of the procurement policy with HFA's policy.

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 amendment of its Procurement Contract Policy as presented in the accompanying memo from the Treasurer.

Section 2. The amended Procurement Contract Policy shall be effective as of April 1, 2013.

Section 3. This resolution shall be effectively immediately.

The next new business item was the Treasurer's Report. There was no request for a presentation. Ms. Zucker asked how long it would be before Mr. Markowski's retirement and

indicated that she wanted to meet with him prior to his last day in the office. Mr. Markowski responded that he had 42 days before his retirement.

The third new business item on the HTFC agenda was the review of authorized contracts under the CDBG Disaster Recovery Program. Ms. Ting-Zambuto stated that item 3B is a review of contracts executed by Mr. Rubin for services to assist the Community Reconstruction Zone Planning Committees. She indicated that the contracts executed were previously approved by the board pursuant to a June 27, 2013 resolution.

Item 3A was a review of contracts executed in connection with CDBG Disaster Recovery Housing and Small Business Assistance. Ms. Ting-Zambuto stated that this item replaces Item 10. The contracts executed include the amendment to the subrecipient agreement with Dormitory Authority of the State of New York (“DASNY”) for housing recovery assistance; a work authorization between DASNY and McKissack; a work authorization between DASNY and URS Corporation; a subrecipient agreement with DASNY for small business assistance; a work authorization between DASNY and LiRo Program and Construction Management for small business assistance; and an amendment to a funding agreement with DASNY.

Ms. Firenze, an attorney working with the Office of Disaster Recovery, was available at the meeting to answer the Members’ questions on the contracts.

Ms. Zucker sought clarification of the contract allocating \$20 million to DASNY. Ms. Firenze responded that there is an allocation to DASNY. DASNY is overseeing the inspection and construction, and DASNY is hiring subcontractors, and the money is divided among subcontractors through a funding agreement.

Ms. Zucker asked if DASNY is paid an administrative fee. Ms. Firenze responded that DASNY is paid an administrative fee, but that she was not in possession of the amount.

Ms. Firenze presented two additional contracts that were executed but that did not make it into the original or supplemental board materials. She stated that the first contract is an agreement with Hofstra University for legal services. Under the agreement, Hofstra University will provide legal services to affected homeowners including representation of homeowners in disputes with insurance companies over storm-related insurance claims and representation of homeowners in disputes with general contractors over the work done to rebuild homes damaged by the storms. Hofstra University will also provide legal and business counseling services for small businesses including in planning or start-up stages and in planning for future storm resiliency. They are also providing community education programs and a dedicated intake line to refer homeowners and businesses to the proper channels for assistance. Hofstra will employ attorneys. Business people, and will utilize volunteer students. The contract is a three year contract for \$1 million total.

She stated that the second contract is a two-year contract with New York Legal Assistance Group for legal services for a total of \$3.5 million total. Under the agreement, New York Legal Assistance Group will continue to provide legal services to victims of Hurricane

Sandy in Long Island. New York Legal Assistance Group's Storm Response Unit will assist storm victims with the administrative processes related to FEMA applications, appeals and recoupments; insurance matters; landlord/tenant disputes; mortgage/foreclosure issues; and contractor and construction issues, including fraud; real estate including participation in buy-back programs and alternatives to foreclosure including short sales and deed in lieu of foreclosure and financial, debt and housing counseling.

Mr. Connor clarified Ms. Firenze's role in the agency. He stated that Ms. Firenze is working in the Office of Legal Affairs for the Housing Trust Fund Corporation and is providing legal assistance to the Office of Disaster Recovery. He stated that Ms. Firenze has been assisting and providing guidance to the Office of Disaster Recovery during its transition.

Ms. Ting-Zambuto stated that the Director of Storm Recovery has indicated that an amendment to the ProSource Amendment is being discussed. She stated that it would be presented to the board at the next meeting after it is executed.

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

Dated: November 7, 2013


Eu Ting-Zambuto