

**MINUTES OF THE 293RD MEETING OF THE MEMBERS OF THE
HOUSING TRUST FUND CORPORATION
HELD ON MARCH 21, 2013 AT 10:00 A.M.**

Locations: 641 Lexington Avenue, New York, NY 10022 and
38-40 State Street, Albany, New York 12207
*locations connected by video-conference

MEMBERS PRESENT:

Darryl C. Towns, Chairman
William Mulrow, Member, represented by Marian Zucker, President of OFD

OTHER PARTICIPANTS:

Gail Bressler	Vice President, OFD
Gary Connor	Counsel
Michael DeBonis	OHP
Michael DeMarco	Director of Internal Audit, OPS
Sharon Devine	Deputy Commissioner for Administration, DHCR
Chris Leo	Vice President, OCR
Frank Markowski	Assistant Treasurer
Michael Skrebutenas	President, OHP
Heather Spitzberg	SEQRA Officer
Eu Ting-Zambuto	Secretary
Greg Watson	OPS

There was a quorum with two Members present. Chairman Towns made a motion to call to order the 293rd 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 292nd Meeting held on January 29, 2013. The Minutes of the 292nd Members’ Meeting were deemed approved.

The second item on the HTFC agenda was a resolution approving the renewal of housing and technical services contracts. Mr. DeBonis presented that the proposed contract renewals are pursuant to a Request for Proposals (“RFP”) from January 2009 for construction monitoring services, environmental review services, and consulting engineer/architectural services. He stated that the contract renewals are the fourth allowed for under the RFP. Mr. DeBonis stated that HTFC has utilized the contracts efficiently over the last few years. Mr. Skrebutenas added that he did not have the exact amount in front of him, and Mr. DeBonis concluded that the requested amount of \$535,000 was to accommodate alternate scenarios.

Ms. Zucker indicated that the Multifamily Advisory Panel had discussed expanding the panel to include firms that can provide other services to better achieve economies of scale. She stated that she did not have a problem with the contract renewals at hand, but requested that the new RFP be discussed and issued before the end of the year. Mr. Skrebutenas responded that the new RFP is one that could be discussed among staff, but emphasized that the item on the table was only a contract renewal based on the existing RFP.

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

Section 1. The Members hereby approve contract renewals with the below listed firms for a one-year period, with the aggregate amount of expenditures of all contracts not to exceed \$535,000, subject to the adoption of the HTFC's budget for fiscal year 2013-2014 which projects funding for this purpose:

Construction Monitoring Services:

EMJ Construction Consultants (Capital District, New York)
HAKS (New York)
Hugh E. Hallenback, Architect (Syracuse)
LiRo Program and Construction Management (Buffalo, New York)
L.J. Gonzer Associates (Statewide)
Munoz Engineering (New York)
Octagon Builders (Capital District)

Environmental Review Services (all statewide):

L.J. Gonzer Associates
Tectonic Engineering & Surveying Consultants

Consulting Engineer / Architectural Services:

A.G. Consulting Engineering (New York)
Bernier, Carr & Associates (Syracuse)
Cashin Technical Services (New York)
HAKS (Statewide)
James Jordan Associates, Architects (Capital District, Syracuse)
MJ Engineering and Land Surveying (Capital District, New York, Syracuse)
Munoz Engineering (New York)
Popli Design Group (formally Om P. Popli, PE) (Buffalo, Syracuse)

Section 2. The Members hereby authorize the President of the Office of Housing Preservation 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 third item on the HTFC agenda was a resolution approving awards from the Medicaid Redesign Team Fund. Ms. Bressler presented that this resolution is for awards for eight supportive housing projects. She stated that each housing project will provide housing for high-need and high-cost Medicaid recipients by leveraging private and public investments in furtherance of the Governor's initiative to reduce Medicaid spending and that each project has multiple financing sources. Ms. Bressler stated that the aggregate of the awards sought is in excess of the \$25 million allocated to the program, but that as due diligence proceeds for each of the projects, the amount of the award necessary is expected to be reduced and is expected not to exceed \$25 million in the aggregate.

Ms. Bressler briefly addressed each of the projects: \$2,625,000 is being recommended for Redemption Plaza Apartments, the new construction of 71 total units in Bronx County, including 21 supportive housing units; \$10,875,000 is being recommended for Boston Road Residence in Bronx County, for the new construction of 154 total units including 93 supportive housing units; she added that while the total recommended was \$10,875,000, the actual amount is expected to be significantly less after the underwriting. She stated that \$3,125,000 is being recommended for 6469 Broadway Apartments, located at 6469 Broadway in Bronx County, sponsored by Selfhelp Community Services, for the new construction of 86 total units including 26 supportive housing units; \$1,875,000 is being recommended for Savanna Hall, located on West 163rd Street in New York County, sponsored by the Lantern Organization, for the new construction of 73 total units including 50 supportive housing units; \$3,875,000 is being recommended for 3361 Third Avenue Apartments, located at 3361 Third Avenue in the Melrose section of Bronx County, sponsored by Bronx Pro Real Estate Management, for the new construction of 63 total units including 38 supportive units; \$7,250,000 is being recommended for Norwood Terrace, located in the Norwood section of Bronx County, sponsored by B&B Supportive LLC and Concern for Independent Living, the new construction of 115 total units including 58 supportive units; \$4,500,000 is being recommended for Webster Green, located at 3100 Webster Avenue in Bronx County, sponsored by The Doe Fund, for the new construction of 82 total units including 36 supportive units; and \$3,500,000 is being recommended for Lynn's Place, located at 1060-1064 Reverend James Polite Avenue in Bronx County, sponsored by Unique People Services, for the new construction of 61 total units including 40 supportive units.

Ms. Ting-Zambuto indicated that Ms. Zucker has requested that the resolution on the table be amended to reflect that the awards are limited to the \$25 million appropriation, however, that any award approved, but not fully awarded due to the limitation of the appropriation, is authorized from a future appropriation of Medicaid Redesign Team ("MRT") funds, if there is a future appropriation.

Ms. Zucker requested that the language of the resolution presented also be amended to include “up to” for each award to reflect that the actual funds used is expected to be below those requested.

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

Section 1. The Members hereby approve the award of up to \$3,875,000 in MRT funds, as limited by Section 9 of this resolution, for 3361 Third Avenue Apartments and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 2. The Members hereby approve the award of up to \$2,625,000 in MRT funds, as limited by Section 9 of this resolution, for Redemption Plaza Apartments and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 3. The Members hereby approve the award of up to \$3,125,000 in MRT funds, as limited by Section 9 of this resolution, for 6469 Broadway Apartments and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 4. The Members hereby approve the award of up to \$7,250,000 in MRT funds, as limited by Section 9 of this resolution, for Norwood Terrace and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 5. The Members hereby approve the award of up to \$4,500,000 in MRT funds, as limited by Section 9 of this resolution, for Webster Green and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 6. The Members hereby approve the award of up to \$1,875,000 in MRT funds, as limited by Section 9 of this resolution, for Savanna Hall and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract

conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 7. The Members hereby approve the award of up to \$10,875,000 in MRT funds, as limited by Section 9 of this resolution, for the Boston Road Residence and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 8. The Members hereby approve the award of up to \$3,500,000 in MRT funds, as limited by Section 9 of this resolution, for Lynn's Place and the entering into of regulatory agreements with the applicant, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such other governing terms and conditions.

Section 9. The Members hereby limit the total sum of the above-referenced awards to the current allocation of \$25 million for supportive housing.

Section 10. Notwithstanding the above limit on the awards approved, the Members hereby resolve that any individual award approved and not fully awarded due to the limitation of State MRT funds, is also effectively approved from any future appropriation of State MRT funds compatible with the use of the funds to the extent that the individual award approved is still necessary.

Section 11. 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 12. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution approving awards under the Community Development Block Grant Program for economic development to Village of Medina and Chenango County. Mr. Leo stated that the Village of Medina has requested \$750,000 in Community Development Block Grant Program funds for economic development to join with funds from Empire State Development to assist in the expansion of Claims Recovery Financial Services, LLC. He stated that the company has outgrown its current location and with the assistance of Empire State Development and the Orleans Economic Development Agency, the company is now considering a \$7 million renovation project to a facility in the Village of Medina, which would keep the company in Orleans County. He stated that the project proposes

to create 140 full-time equivalent jobs over two years, with 92 jobs to benefit low- and moderate-income New Yorkers. He stated that the cost per job is relatively low at \$5,357 and all costs are reasonable.

Ms. Zucker asked what the corporation's expectation is for the duration of the jobs that are being created. Mr. Leo responded that the corporation operates under the expectation that the jobs will be permanent. There is no indication that the proposed number of jobs would be lowered as the project subsides.

Further, Mr. Leo presented that the Chenango County has requested \$480,000 to assist in the expansion of Golden Artist Colors, Inc. He stated that the project includes the purchase and renovation of an additional facility in the City of Norwich. The proposed entire \$2.4 million project will create 32 full-time jobs over two years, with 30 (94%) to benefit low- and moderate-income persons and the cost per job will be about \$15,000.

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

Section 1. The Members hereby approve the awarding of Community Development Block Grant Program funds for economic development to the Village of Medina in the amount of \$750,000 to assist in the expansion of Claims Recovery Financial Services, 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 the awarding of Community Development Block Grant Program funds for economic development to Chenango County in the amount of \$480,000 to assist in the expansion of Golden Artist Colors, 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 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 4. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution partially revoking resolution approving Access to Home Award on December 20, 2012 and approving award to St. Lawrence Housing Council. Mr. Leo stated that by resolution on December 20, 2012, HTFC approved an award under the Access to Home Program in the amount of \$150,000 and identified the recipient of the award as St. Lawrence County Community Development Program, Inc. He

stated that it was subsequently determined that the resolution incorrectly identified the recipient as St. Lawrence County Community Development Program, Inc. and the correct recipient of the award is St. Lawrence Housing Council. He stated that, accordingly, he was requesting a partial revocation of the December 20th resolution and an award of \$150,000 to the correct recipient St. Lawrence Housing Council. He further indicated that HTFC has done business in the past with St. Lawrence Housing Council.

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

Section 1. The Members hereby partially revoke the resolution adopted on December 20, 2012 to the extent that the resolution approved an award of \$150,000 to St. Lawrence County Community Development Program, Inc.

Section 2. The Members hereby approve an award of \$150,000 under the Access Program to St. Lawrence Housing Council.

Section 3. The Members hereby approve the entering into of regulatory agreements with St. Lawrence Housing Council, upon its satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such terms and conditions as set forth under the Access Program guidelines.

Section 4. The Members hereby authorize the President of the Office of Community Renewal 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 5. This resolution shall take effect immediately.

The next item on the HTFC agenda was a resolution adopting the budget for fiscal year 2013-2014. Mr. Markowski presented the annual budget for the corporation's fiscal year April 1, 2013 through March 31, 2014. He stated that the budget projects the revenue that the corporation receives, including revenue from state and federal appropriations and from fees that it earns, primarily from the Section 8 PBCA program. He reported that the budget sets forth that nearly all of the funds that the corporation has access to are expected to be committed during the year, and indicated that the budget sets forth the estimated expenditures associated with those commitments. Mr. Markowski indicated that the budget is being submitted in the same format as in years past, and he walked the Members through the format of the submission.

Mr. Markowski highlighted several sections from the budget. He stated that Schedule A-3 identifies Technical Assistance Commitments and Expenditures under the Low Income Housing Trust Fund Program and includes technical services and housing assistance contracts

approved by the Board, a contract for custodial fees to the State Treasurer which are fees for investments and custodial services; and SHPO contract. He stated that the first line item providing for a "Balance of Contracts Remaining from Prior Year" is based on the fact that the corporation is not always billed during the fiscal year for expenses incurred during the fiscal year, and that this line item enables the corporation to pay bills as they come in. He noted that if these funds are not used, they will be recaptured into the program and be made available for the program. He stated that Schedule BB-4 and CC-4 identify Personal Service, Fringe Benefits, among other information for the corporation's employees. He stated that the schedules are based on the current staff roster and are subject to change throughout the year. Further, he indicated positions identified as "vacant" are not necessarily going to be filled.

Mr. Markowski further stated that throughout the budget, there are notations of "TBD." In the federal areas, this results from the fact that many of the federal programs have not yet identified funds for the next fiscal year, and further, the sequestration process has created some areas of uncertainty, including in the HCV program, where the corporation has already been notified that it is only going to receive about 73% of the funding that it normally receives.

Lastly, Mr. Markowski referenced the last page of the budget titled, "Notes to the Budget" which includes notes on the basis and timing of certain information contained therein. He highlighted Note 2, regarding the transfer of the Neighborhood Preservation Program, Rural Preservation Program, and the Rural Rental Assistance Program to the corporation, and stated that these programs have not been included in this budget but that after the transfer, the budget will be amended to account for the programs. He also highlighted Note 3, regarding the corporation's expectation of \$1.7 billion in CDBG funds for Hurricane Sandy relief, and stated that the amount has not yet been confirmed, so the budget will be amended to account for this allocation as well.

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

Section 1. The Members hereby adopt the HTFC's budget for the fiscal year 2013-2014, subject to the adoption of the State budget.

Section 2. The Assistant Treasurer or another authorized officer is hereby authorized to make such non-material amendments to HTFC's budget as necessary for the efficient fiscal management of the corporation and to make such other amendments to HTFC's budget as necessitated by any subsequent resolution of the Members. Amendments to the budget shall be reported to the Chief Executive Officer as soon as practicable, and the status of the budget shall be periodically reported to the Members.

Section 3. The Assistant Treasurer or another authorized officer is hereby authorized and directed to file the HTFC's budget for fiscal year 2013-2014 as required by law.

Section 4. This resolution shall take effect immediately.

Ms. Ting-Zambuto indicated that in addition to the four informational items on the agenda, the Treasurer's Report was being submitted for the Members' information. The Members requested a presentation on the Treasurer's Report.

Mr. Markowski presented that the Executive Summary contained all of the financial highlights as of January 31, 2013. He noted that additionally, on March 12, 2013, the corporation entered into a contract with Elation Systems for the continuation of the provision of Davis-Bacon compliance services for the calendar year 2013. As the contract was only for \$89,000, it did not go before the Board for action. Further, he stated that on March 7, 2013, the corporation issued an RFP for remittance review of certain Section 8 local administrators pursuant to a request from the State Inspector General and that proposals are due on April 3, 2013. He reported that, as of January 31, 2013, the corporation had cash in the amount of approximately \$11.9 million and investments in the amount of approximately \$152.2 million.

There were no other requests for presentations or questions on the remaining items.

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

Dated: March 21, 2013

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