

**MINUTES OF THE 292ND MEETING OF THE MEMBERS OF THE
HOUSING TRUST FUND CORPORATION
HELD ON JANUARY 29, 2013 AT 8:30 A.M.**

Locations: 641 Lexington Avenue, New York, NY 10022 and
State Capitol Building, Room 131, Albany, NY 12207
*locations connected by video-conference

MEMBERS PRESENT:

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

OTHER PARTICIPANTS:

Alex Abrams	Vice President, Housing Portfolio Management
Mark Colon	Deputy Counsel
Sharon Devine	Deputy Commissioner for Administration, DHCR
Dan Murphy	Vice President, OHP
Matthew Nelson	President, OCR
Rebecca Sinclair	OCR
Michael Skrebutenas	President, OHP
Forrest Taylor	President, OPS
Eu Ting-Zambuto	Secretary

There was a quorum with two Members present. Chairman Towns made a motion to call to order the 292nd 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 291st Meeting Held on December 20, 2012. The Minutes of the 291st Members’ Meeting were deemed approved.

The second item on the HTFC agenda was a resolution authorizing awards for economic development under the Community Development Block Grant Program. Mr. Nelson presented that HTFC has received an application for CDBG funds for economic development in the amount of \$416,000 to assist in the retention and expansion of M&G DuraVent, Inc. in Albany County. He stated that the project proposes to retain 58 jobs and to create 30 new full-time jobs. He stated that M&G DuraVent was recently acquired by an overseas company and was looking to consolidate its operations between California, Mississippi, and New York, and with HTFC’s assistance, the company can retain its operations in New York and move out-of-state operations to the State.

Ms. Zucker asked how the applicants are sourced. Mr. Nelson responded that some companies come to HTFC directly, and HTFC directs them to the municipalities, but that this project for M&G DuraVent came to HTFC from ESDC, who asked HTFC to join it in an incentive offer for the project.

Next, Mr. Nelson presented that HTFC has received an application from Seneca County for CDBG funds for economic development in the amount of \$750,000 to assist in the expansion of Goulds Pumps, Inc. He stated that the project proposes to create 50 new full-time jobs.

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 awarding of CDBG Program funds for economic development to Albany County in the amount of \$416,000 to assist in the retention and expansion of M&G DuraVent, 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 2. The Members hereby approve the awarding of CDBG Program funds for economic development to Seneca County in the amount of \$750,000 to assist in the expansion of Goulds Pumps, 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 President of the Office of Community Renewal or another authorized officer is hereby authorized, 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 third item on the HTFC agenda was a resolution authorizing an amendment to the services agreement with Local Initiative Support Corporation and National Equity Fund (“LISC/NEF”) for the Preservation Initiative Program. Mr. Abrams presented that one of the main goals of the Preservation Initiative Program is the rehabilitation of 48 properties. He stated that in October 2010, HTFC allocated \$25 million towards the program, and at the same time, \$5 million in LIHTC tax credits was allocated towards the program. He indicated that HTFC issued a Request for Qualifications seeking an organization to provide services in connection with the program and selected LISC/NEF. He reported that 31 projects in the program are ready to be funded, and of those, 23 will be funded by HTFC funds and the other 8 will be funded by LIHTC funds. He stated that the current services agreement, provides that LISC/NEF will only be paid out of their syndication funds on the LIHTC deals, so the instant resolution is to amend the services agreement to pay LISC/NEF \$65,000 per transaction for deals

funded solely by HTFC funds for the 23 HTFC stand alone deals for a total of \$1.5 million. Mr. Abrams stated that the memo originally suggested that the \$1.5 could come out of the \$25 million which was already allocated, however, he relayed that Frank Markowski indicated that the \$25 million was only approved for capital improvements and thus, the agency would need to request an additional \$1.5 million. Mr. Abrams indicated that he believed that this amended fee proposal was a good idea, as LISC/NEF was doing a successful job with its work with the program.

Ms. Zucker asked if the original resolution authorizing the allocation of \$25 million to the Preservation Initiative Program could be amended to allow the \$25 million to include service fees, so that the fees would come out of the \$25 million. Mr. Abrams responded that Mr. Markowski had indicated that the \$25 million was only allocated for capital improvements. Ms. Zucker asked if a portion of the \$25 million could just be reallocated for fees. Mr. Skrebutenas indicated that his initial intention was not to request an additional \$1.5, but rather to use \$1.5 million of the \$25 million allocated for the program for fees. Mr. Abrams agreed with Mr. Skrebutenas' comment, and stated that the request for an additional \$1.5 million was initiated by Mr. Markowski.

Ms. Zucker requested that the resolution on the table be amended to reflect either situation, so that if the \$1.5 million could come out of the \$25 million previously allocated for the program, it would, but if it could not, then, an additional \$1.5 would be allocated to the program for these fees. Mr. Skrebutenas and Mr. Abrams acknowledged Ms. Zucker's proposed amendment and indicated that this issue would be clarified. Ms. Ting-Zambuto confirmed that the resolution on the table would be amended to reflect that \$1.5 million for LISC/NEF fees would come out of the existing \$25 million in corporate funds allocated to the program, but in the event that the \$25 million of corporate funds already allocated could not be used for fees, then, an additional \$1.5 million would be allocated for this purpose. Ms. Zucker requested this amendment to Section 2 of the proposed resolution.

Ms. Zucker moved to adopt the resolution with an amended Section 2 which provides for the reallocation and use of \$1.5 million of the \$25 million previously allocated to the program for LISC/NEF fees for deals funded solely by HTFC funds, or, if the former cannot be done, the allocation of up to \$1.5 million of additional corporate funds to be used to pay LISC/NEF fees for deals funded solely by HTFC funds; Chairman Towns seconded the motion, and the following resolution was adopted:

Section 1. The Members hereby authorize an amendment to the Services Agreement with LISC/NEF to allow LISC/NEF fees not to exceed \$65,000 per transaction for deals funded solely by HTFC funds to be paid from HTFC Corporate funds allocated for the PIP Portfolio.

Section 2. The Members hereby authorize \$1.5 million of the \$25 million previously allocated to the PIP Portfolio to be reallocated and be used to pay LISC/NEF fees for deals funded solely by HTFC funds. In the event that \$1.5 million can not be reallocated and used to pay LISC/NEF fees for deals funded solely by HTFC funds, then, in the

alternative, the Members authorize up to \$1.5 million of additional corporate funds to be used to pay LISC/NEF fees for deals funded solely by HTFC funds.

Section 3. The Members hereby authorize the President of the Office of Housing Preservation or another authorized officer to enter into an amended Services Agreement and to execute any documents necessary and appropriate to effectuate the purpose of the resolution.

Section 4. This resolution shall take effect immediately.

The next item on the HTFC agenda was a new item of business. This item was a resolution authorizing agreements with Neighborhood Preservation Coalition of NYS, Inc. and NYS Rural Housing Coalition, Inc. Mr. Nelson presented that at the last meeting of the Members, the Members approved contract extensions with Neighborhood and Rural Preservation Companies for the continued administration of the Neighborhood and Rural Preservation Program. He stated that contract extensions with the Neighborhood Preservation Coalition of NYS, Inc. and NYS Rural Housing Coalition, Inc. were inadvertently overlooked, and he is proposing for HTFC to continue the contracts with the coalitions for the January 2013 to June 30, 2013 term for \$75,000. He stated that the funds for the contracts are from the Attorney General's foreclosure settlement agreement.

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

Section 1. The Members hereby authorize HTFC to enter into a new agreement with Neighborhood Preservation Coalition of NYS, Inc. and NYS Rural Housing Coalition, Inc. for the period January 1, 2013 to June 30, 2013 for \$75,000 to each coalition for services pursuant to the Neighborhood and Rural Preservation Program.

Section 2. 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 3. This resolution shall take effect immediately.

The remaining items on the HTFC agenda were informational items and did not require board action. Presentations on the items were made available at the request of the Members. There were no 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: January 29, 2013

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