

**MINUTES OF THE REGULAR MEETING OF THE
280TH MEMBERS' MEETING OF THE
HOUSING TRUST FUND CORPORATION
HELD ON June 28, 2011 AT 1:00 P.M. AT
38-40 STATE STREET
ALBANY, NEW YORK 12207**

Locations: 38-40 State Street, Albany, New York 12207 and 641 Lexington Avenue,
New York, New York

MEMBERS PRESENT:

Darryl C. Towns, Chairman

Jennifer McCormick

OTHER PARTICIPANTS:

Michael Skrebutenas	President – OHP
Daniel Murphy	Vice President - OHP
Sean Fitzgerald	Vice President - OFD
Gail Hammond	Vice President - OCR
Gary R. Connor	Counsel
Frank Markowski	Assistant Treasurer
Sean P. Shea	Secretary
Barbara Wigzell	HCR
Paul M. Petell	Bollam, Sheedy, Torani & Co., LLP
Alison Newell	Bollam, Sheedy, Torani & Co., LLP

The first item on the HTFC agenda was the approval of the annual independent audit. Mr. Markowski introduced Mr. Petell and Ms. Newell who presented the results of the independent audit for fiscal year 2010-2011. Mr. Petell summarized the governance report. Ms. Newell summarized the independent auditor's report which resulted in an unqualified opinion that the financial statements present fairly, in all material respects, the financial position of the Corporation as of March 31, 2011 and 2010. Ms. Newell also summarized the internal controls report. Mr. Petell then summarized the management letter. The Corporation does not recognize a receivable from the State until the Division of Budget has issued a budget certificate. After full

discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members of HTFC approves the attached annual independent audit report.

Section 2. The Chief Executive Officer or Assistant Treasurer of HTFC be, and hereby is, authorized and directed to act in connection therewith and to file copies with 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.

Section 3. This Resolution shall take effect immediately.

The next item on the HTFC agenda was the approval of the Minutes of the March 16, 2011 and April 27, 2011 meetings. After full discussion, the minutes of the March 16, 2011 and April 27, 2011 meetings, upon motion of Ms. McCormick and second of Mr. Towns, were unanimously approved. Mr. Connor noted the Corporation was now posting draft minutes on the website rather than waiting until they are approved after consulting with the ABO about the interpretation of relevant laws.

The next item on the HTFC agenda was the Treasurer's Report. The Corporation expects KPMG to begin the state single audit in a few weeks.

The next item on the HTFC agenda was the Guidelines and Report on Procurement Contracts The guidelines were amended to align the Corporation's MBE/WBE guidelines. Ms. McCormick noted it would be difficult to meet the new goals. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The annexed Procurement Contract Policy is adopted.

Section 2. The annexed 2011 Annual Report on Procurement Contracts is hereby approved by the Members.

Section 3. The Chief Executive Officer or Assistant Treasurer of HTFC be, and hereby is, authorized and directed to act in connection therewith and to file copies with the Governor's Office, the Division of Budget, the Office of the State Comptroller, the Senate Finance Committee, the Assembly Ways and Means Committee, the Department of Economic Development and the Authorities Budget Office.

Section 4. This Resolution shall take effect immediately.

The next item on the HTFC agenda was the Policy and Report on Investments. The Members were asked to approve the policy with no changes from last year. The State Treasurer has been an integral part of the Corporation's process since the beginning. The Corporation is required to use the State Treasurer for all state funds. It has proven more economical in costs and staff time to use one custodian than to use multiple custodians. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The annexed Investment Policy and 2011 Annual Report on Investments as of March 31, 2011 are approved by HTFC.

Section 2. The Chief Executive Officer or Assistant Treasurer of HTFC be, and hereby is, authorized and directed to take all necessary actions to implement this policy including filing copies of the Policy with the Governor's Office, the Division of Budget, the Office of the State Comptroller, the Senate Finance Committee, the Assembly Ways and Means Committee, and the Authorities Budget Office.

Section 3. This Resolution shall take effect immediately.

The next item on the HTFC agenda was the Report on Corporate Prompt Payment Policy No changes are being proposed in the policy and the Corporation had no late payments the 2010-2011 fiscal year.

The next item on the HTFC agenda was the Guidelines for Disposition of Corporate Property and the Annual Property Disposition Report No changes were made in the guidelines and there was no property dispositions that are required to be reported. After full

discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The annexed Guidelines Regarding The Use, Awarding, Monitoring And Reporting Of Contracts For The Disposal Of Property is adopted.

Section 2. The Contracting Officer of HTFC be, and hereby is, authorized to act in connection therewith and to file a copy of the guidelines with the Office of the State Comptroller and to post the guidelines on HTFC's website.

Section 3. The annexed 2010 Annual Property Report is approved by HTFC.

Section 4. The Contracting Officer of HTFC be, and hereby is, authorized and directed to act in connection therewith and to file copies of the report with the Director of the Budget, the Office of the State Comptroller, the Senate Finance Committee, the Assembly Ways and Means Committee, the Commissioner of General Services and the Authorities Budget Office.

Section 5. This Resolution shall take effect immediately.

The next item on the HTFC agenda was the Confirmation of Action Taken By the Members Without a Meeting on June 2, 2011 authorizing Community Development Block Grant Program awards. The Members approved two Community Development Block Grant awards by writing without a meeting on June 2, 2011. The By-Laws require such authorizations to be confirmed by the Members at the next regular meeting. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members hereby confirm the awarding of Program funds to Clinton County and the Town of Canandaigua and the entering into regulatory agreements with the applicants, upon their satisfactory compliance with any pre-contract conditions as required by statute or regulation, and upon such terms and conditions as set forth in the annexed briefing reports.

Section 2. The Members hereby confirm that the Corporation's President of the Office of Community Development or another authorized officer of the Corporation, is 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 3. The Members hereby confirm that this resolution is effective as of June 2, 2011.

The next item on the HTFC agenda was the Confirmation of Action Taken By the Members Without a Meeting on June 9 and 14, 2011 authorizing Community Development Block Grant Program awards. The Members approved six Community Development Block Grant awards by writing without a meeting executed on June 9 and 14, 2011. The By-Laws require such authorizations to be confirmed by the Members at the next regular meeting. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members hereby confirm the resolution approving the awarding of Community Development Block Grant Program funds by resolution dated June 9, 2011 and June 14, 2011.

Section 2. This resolution shall take effect immediately.

The next item on the HTFC agenda was the Designation of National Equity Fund and Local Initiative Support Corporation as sole syndicator for the Preservation Initiative Program. Of the three responders for a request for qualifications, Corporation staff has recommended the selection of National Equity Fund and Local Initiative Support Corporation as sole syndicator for the Preservation Initiative Program. The Preservation Initiative Program is intended to assist 53 existing projects with identified problems that need attention. The participation of National Equity Fund and Local Initiative Support Corporation will help leverage the Corporation's investment at no cost to the Corporation. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members hereby approve the awarding of a contract with the team of the National Equity Fund and the Local Initiative Support Corporation Program for the right to service the Preservation Initiative Program upon such terms and conditions as are set forth in the attached memorandum.

Section 2. The Corporation's President of the Office of Finance and Development, or another authorized officer of the Corporation, 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 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was the Release of the Uncle Sam’s House, Inc. project from regulation under the Low Income Housing Trust Fund Program. The Uncle Sam project has been vacant for several years and the Corporation has been unsuccessful in finding a replacement for the borrower who abandoned the project. The corporation has foreclosed and transfer of title can take place shortly. The Corporation staff recommended that they be permitted to allow the sale of the property free of the restrictions created by the Corporation’s loan in order to encourage the redevelopment of the property while recovering a greater portion of its investment. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The President of the Office of Housing Preservation is authorized to release 2423 5th Avenue, Troy, New York from regulation under the Low Income Housing Trust Fund Program and to take such other action the President deems appropriate to assist in the foreclosure and sale of said property.

Section 2. This resolution shall take effect immediately.

The next item on the HTFC agenda was the Rural Area Revitalization Program Awards to Eligible Applicants. The proposed action is to make six awards to an applicant for 6 projects which include 198 affordable housing units which is part of an eight-project, 254 unit bundle to be considered for financing by the Housing Finance Agency. The bundling of the projects will help effectuate an economy of scale. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members hereby approve the awarding of Program funds and the entering into of a regulatory agreement under the Program with the eligible applicants listed below and in the amounts listed below and upon such terms and conditions as are set forth in the attached memorandum:

Name of Eligible Applicant	SHARS No.	Amount of Award
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North Country Housing Development Fund Company, Inc.	20110059	\$ 200,000
North Country Housing Development Fund Company, Inc.	20110060	\$ 200,000
North Country Housing Development Fund Company, Inc.	20110061	\$ 200,000
North Country Housing Development Fund Company, Inc.	20110062	\$ 200,000
North Country Housing Development Fund Company, Inc.	20110063	\$ 200,000
North Country Housing Development Fund Company, Inc.	20110064	\$ 200,000

Section 2. The Corporation’s President of the Office of Finance and Development, or another authorized officer of the Corporation, 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 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was the Acceptance and Publication of HTFC’s Report on Goals and Accomplishments. The integration of the housing agencies was a main goal in the past year and will continue to be a main goal in the current year. The interaction with the regional economic councils the Governor intends to establish will likely require an amendment of the goals when those councils are established. The submission also lists the awards made by the Corporation under its various programs. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members hereby determine the Corporation’s report titled “Goals and Accomplishments” to be satisfactory.

Section 2. The Members hereby publish the report titled “Goals and Accomplishments” and direct Counsel to the Corporation to timely effectuate the filing and posting requirements as set forth by the Authorities Budget Office.

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was the Evaluation of HTFC’s performance in accordance with its Mission Statement. The Corporation just received a letter from the Authorities Budget Office (“ABO”) indicating the ABO has found fault with the Corporation’s Mission Statement. Corporation staff will work with the ABO to determine what the ABO’s objections are and what the Corporation must do to rectify the situation. As a result, the

Members may be asked to amend the mission statement at the September meeting. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. Funds were awarded across the State without significant gaps or over-concentration and that the HTFC awards leveraged funds greater than two to one.

Section 2. The implementation of electronic applications and creation of a special performance review of local program applications for applicants with a proven history has speeded up the decision making process.

Section 3. The Members hereby publish this evaluation and direct Counsel to HTFC to timely satisfy the requirements of the Authorities Budget Office may have instituted for compliance with Section 2824-A of the Public Authorities Law.

Section 4. This resolution shall take effect immediately.

The next item on the HTFC agenda was the approval of a Code of Ethical Behavior for Officers and Employees of the Corporation. The Code of Conduct for Members adopted at the last meeting omitted references to the officers and employees of the Corporation in order to make the code uniform with those adopted by the other agencies of Homes and Community Renewal. The purpose of the resolution was to adopt a new code which will cover the Corporation's officers and employees. The Code tracks Public Officers Law section 74 with additional references to the Corporation's employee handbook and relevant statutes and regulations. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Officer and Employee Code of Ethical Behavior dated June 28, 2011 is hereby approved and recommended for adoption by the members of the Corporation; and

Section 2. The members of the Corporation do hereby revoke its Code of Ethics dated December 18, 2007 and hereby adopt in its stead the Code of Ethical Behavior for all officers and employees of the Corporation; and

Section 3. This resolution shall take effect immediately.

The next item on the HTFC agenda was the Appointment of Gail Bressler as Vice President for the Office of Finance and Development. The appointment of Ms. Bressler will facilitate the execution of documents when the current officers are not available. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. Gail T. Bressler is hereby appointed to Vice President for the Office of Finance and Development for a term consistent with Article V of the By-Laws of HTFC.

Section 2. This Resolution shall take effect immediately.

The next item on the HTFC agenda was the Review of Board Members Performance. The Members reviewed the self evaluations of Karen Hunter, Brian Lawlor and Jennifer McCormick and determined that no action was indicated at this time as a result of that review. After full discussion and upon motion duly made by Ms. McCormick, seconded by Mr. Towns and unanimously approved, the following motion was adopted:

Section 1. The Members hereby direct Counsel to the HTFC to timely effectuate the mandated filing of the Board's aggregated self-evaluations with the ABO.

Section 2. This resolution shall take effect immediately.

The next item on the HTFC agenda was the General Reports – SEQRA Informational Items. Ms. Wigzell reported on the projects that received Type II designations and the projects where the Corporation concurred with the findings of other agencies.

There being no further business, the meeting adjourned upon the motion of Ms. McCormick which was seconded by Mr. Towns and unanimously approved.

Dated: June 28, 2011

Sean P. Shea, Secretary