

**MINUTES OF THE 289TH MEETING OF THE MEMBERS OF THE
HOUSING TRUST FUND CORPORATION
HELD ON SEPTEMBER 11, 2012 AT 9:00 A.M.**

Locations: 641 Lexington Avenue, New York, NY 10022 and
38-40 State Street, Albany, NY 12209
*locations connected by video-conference

MEMBERS PRESENT:

Darryl C. Towns, Chairman
Jennifer McCormick, Member
William Mulrow, Member, by designated representative, Marian Zucker, President, OFD

OTHER PARTICIPANTS:

Gail Bressler	Vice President, OFD
Gary R. Connor	Counsel
Michael DeMarco	Director of Internal Audit, OPS
Diane Dembling	Manager of Technical Assistance Contracts, OPS
Sean Fitzgerald	Vice President, OFD
Frank Markowski	Assistant Treasurer
Dan Murphy	Vice President, OHP
Matthew Nelson	President, OCR
Joseph Palozzola	HCR-Intergovernmental Affairs
Michael Skrebutenas	President, OHP
Forrest Taylor	President, OPS
Eu Ting-Zambuto	Secretary
Barbara Wigzell	SEQRA Officer

There was a quorum with three Members present. Ms. Zucker made a motion to call to order the 289th Meeting of the Members of the Housing Trust Fund Corporation (“HTFC”). The motion was seconded by Chairman Towns.

The first item on the HTFC agenda was the approval of the Minutes of the 288th Members’ Meeting held on July 12, 2012. The Minutes of the 288th Members’ Meeting were unanimously approved.

The second item on the HTFC agenda was a resolution approving the annual appointment of officers. Mr. Connor presented that HTFC's By-Laws require officers to be appointed annually, and HTFC typically appoints its officers in September. He stated that the officers identified in the board materials are the current officers and proposed the reappointment of the officers.

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

Section 1. The persons listed below are hereby appointed to hold the offices listed after their names for a term consistent with Article 5 of the By-Laws of HTFC:

Office of Finance and Development

Marian Zucker	President
Sean Fitzgerald	Vice President
Gail T. Bressler	Vice President

Office of Community Renewal

Matthew Nelson	President
Christian Leo	Vice President
Dominic A. Martello	Vice President

Office of Housing Preservation

Michael Skrebutenas	President
Richmond McCurnin	Vice President
Daniel E. Murphy	Vice President

Office of Professional Services

Forrest R. Taylor	President
Gary R. Connor	Counsel
Mark Colon	Deputy Counsel
Frank Markowski	Assistant Treasurer
Eu Ting-Zambuto	Secretary
Barbara H. Wigzell	SEQRA Officer

Section 2. This resolution shall take effect immediately.

The third item on the HTFC agenda was a resolution approving the transfer of the project-based voucher housing assistance payments contract to Albany Housing Authority. Mr. Connor presented that HTFC is the administrator of a 12 unit project-based vouchers contract of the Knox Street Apartments in Albany. He stated that HTFC took over the contract in 2006, but it generally does not take over voucher administration in Albany. He recommended the transfer of the administration of the project-based vouchers contract to Albany Housing Authority, effective January 1, 2013.

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

Section 1. The Members hereby approve the transfer and assignment of the PBV HAP Contract with Knox Street Limited Partnership, along with budget authority, from HTFC to the Albany Housing Authority, effective January 1, 2013 or at such other time as HUD may establish.

Section 2. The Members hereby authorize HTFC to execute any documents which may be necessary and appropriate to effectuate the transfer and assignment.

Section 3. This resolution shall take effect immediately.

The fourth item on the HTFC agenda was a resolution authorizing an award for supportive housing for high cost Medicaid populations and accepting the SEQRA classification for Metro East 99th Street Project. Mr. Fitzgerald presented the recommendation of \$7.3 million to Metro East 99th Street LLC for the Metro East 99th Street Project on the Upper East Side of Manhattan. He stated that the funding was made available as part of the Medicaid Redesign Initiative and that it would fund applications for 175 units of affordable housing for elderly and/or disabled tenants with a preference for tenants who are capable of independent living and are referred by the New York City Health and Hospitals Corporation.

Mr. Fitzgerald stated that Metro East 99th Street LLC's application was the only application received by HTFC that was responsive to the funding eligibility requirements established by the RFP issued in July. He stated that the project will be developed by SKA Marin, a developer that HCR and other City and State agencies have worked with previously with the capacity to successfully complete this project. Mr. Fitzgerald presented the project's plan of financing, which included a combination of tax-exempt bond proceeds, equity from the sale of federal Low Income Housing Tax Credits, and soft second low interest loans provided by New York City Department of Housing, Preservation and Development and HTFC. He indicated that the New York City Housing Authority will provide 175 project-based Section 8 vouchers and that the project meets a critical need and demand for supportive housing, especially in light of the closing of Goldwater Hospital and Coler Skilled Nursing Facility. Lastly, he stated that, as the funding is issued through Medicaid Redesign Initiatives, HTFC will require additional compliance data as part of its regulatory agreements.

Ms. Ting-Zambuto noted that the resolution included the recommendation of the SEQRA Officer that the project be classified as unlisted with a negative declaration.

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

Section 1. The Members hereby authorize an award of \$7.3 million from funds allocated for supportive housing projects for

high cost Medicaid populations to Metro East 99th Street, LLC for the Metro East 99th Street Project.

Section 2. The Members hereby authorize the entering into of regulatory agreements with Metro East 99th Street, LLC upon such terms and conditions as may be necessary and appropriate.

Section 3. The Members hereby accept the SEQRA documentation for the Metro East 99th Street Project, 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 4. The Members hereby adopt the recommendation that the Metro East 99th Street Project be classified as UNLISTED with a NEGATIVE DECLARATION under SEQRA.

Section 5. The Members hereby authorize the President of the Office of Finance and Development 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 6. This resolution shall take effect immediately.

Ms. Zucker commended Mr. Fitzgerald and his team and Ms. Bressler and her team for their work with the projects on the agenda. She emphasized that the RFP's were launched in July, and the speed at which awards were being issued was a reflection of staff's efficiency and commitment. Additionally, Ms. Zucker thanked Mr. Skrebutenas for his support in ensuring that the agency has funds available to support affordable housing projects.

The fifth item on the HTFC agenda was a resolution authorizing an award of Medicaid Redesign funds for the Creston Avenue Residence Apartments Project. Ms. Bressler presented a recommendation of \$2,625,000 in Medicaid Redesign funds for the Creston Avenue Residence Apartments project. She stated that the project will be the new construction of 66 units of supportive housing in the Bronx, including 65 units for households whose incomes are at or below 60% of the Area Median Income, of which 21 units will be set aside for individuals with psychiatric disabilities, 24 units will be set aside for households with disabled veterans or for tenants with incomes at or below 60% of the area median income, and the remaining 20 revenue generating units will be set aside for tenants who meet the low-income tax credit requirements.

Ms. Bressler stated that the project has a service award through the New York State Office of Mental Health. The developers are Volunteers of America-Greater New York and the Housing Collaborative LLC. She presented the project's plan of financing. She stated that the project will receive tax credits; Red Stone is the proposed syndicator with pricing of federal credits of \$1.05; the project will receive State credits with pricing of \$.65; and that Chase is the credit enhancer during the construction period and SONYMA is the permanent credit enhancer.

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

Section 1. The Members hereby approve the award of \$2,625,000 in MRT funds to Volunteers of America-Greater New York and the Housing Collaborative LLC for the Creston Avenue Residence project 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 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 sixth item on the HTFC agenda was a resolution authorizing Homes for Working Families Program ("HWF Program") award to Bridleside Apartments Project. Ms. Bressler presented a recommendation of \$796,511 of HWF Program funds for the Bridleside Apartments Project in Westchester County. The project is the new construction of 65 units of housing, including 64 units for tenants with incomes at or below 60% of the Area Median Income for Westchester County.

Ms. Bressler stated that the developers, Robert Wilder and William Balter, have worked with the agency in the past on many projects. She stated that this project provides low-income housing in the State's highest income area and meets the federal fair housing court settlement which required Westchester County to provide funding for the construction of affordable housing in communities with low concentrations of minority residents. She stated that Westchester County is contributing \$6.8 million dollars for the infrastructure costs in connection with this project, and the project has been designed to meet or exceed the agency's green building guidelines.

Ms. Bressler presented the project's plan of financing. She stated that the project will receive tax credits; First Sterling Financial Inc. is the proposed syndicator with pricing of federal credits of \$1.01; the project will receive State credits with pricing of \$.65; and, the Bank of New

York will be the credit enhancer during the construction period and SONYMA will be the permanent credit enhancer. Lastly, she stated that Wilder Balter will also be the contractors and managers of the project.

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

Section 1. The Members hereby approve the awarding of \$796,511 of HWF Program funds to Wilder Balter Partners and the Housing Action Council for the Bridleside Apartments Project, and the entering into of regulatory agreements with the applicant, upon such other terms and conditions as set forth under the HWF Program guidelines.

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

The seventh item on the HTFC agenda was a resolution approving Community Development Block Grant Program awards to Essex County and the Town of Prattsville. Mr. Nelson presented two recommendations for Community Development Block Grant Program funds. The first recommendation is a recommendation for \$755,200 to Essex County to assist in rebuilding a firehouse for the Keene Volunteer Fire Station, which was destroyed by Hurricane Irene in August 2011. He stated that the Governor's Office has deemed this a priority project. The second recommendation is for approximately \$500,000 to Prattsville and Mr. Nelson noted the possibility of an additional request for \$500,000, if needed, to assist residents and business owners rebuild and recover from the effects of the storms. He stated that the Governor's Office has also deemed this a priority project.

Ms. Zucker asked whether the award to Prattsville is matched. Mr. Nelson stated that the award is sole source, but that the award was the last source as evidenced by a defined gap in funding. He stated that the award is a grant award for applicants who are at the extreme end of disaster and is used to make a project whole, and accordingly, it is not capped. Mr. Nelson added that he had visited Prattsville a few weeks ago and indicated that the town has not recovered and still needs assistance.

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

Section 1. The Members hereby approve the awarding of Community Development Block Grant Program funds in the

amount of \$755,200 to Essex County to rebuild the Keene Volunteer Fire Station, 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 Program funds in the amount of \$590,000 to the Town of Prattsville to assist homeowners in rebuilding or rehabilitating their homes and to assist businesses still trying to recover from the effects of Hurricane Irene and Tropical Storm Lee, 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 eighth item on the HTFC agenda was a resolution confirming the approval of the transfer of the Housing Choice Voucher Program from Village of Lake Placid to the HTFC. Ms. Ting-Zambuto presented the item and stated that the Members passed a resolution in writing on July 30, 2012 and August 1, 2012. The resolution approved the transfer and assignment of the Housing Choice Voucher Program with contract and budget authority from Lake Placid to HTFC, effective January 1, 2013 or at some later time in accordance with HUD. She stated that a resolution confirming the resolution passed by written approval was required to continue the effectiveness of the resolution pursuant to the By-Laws.

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

Section 1. The Members hereby confirm the resolution passed in writing approving the transfer and assignment of the Housing Choice Voucher Program with contract and budget authority from Lake Placid to HTFC, effective January 1, 2013 or at such subsequent time as HUD may establish.

Section 2. The Members hereby confirm the resolution passed in writing authorizing HTFC staff to execute any documents which may be necessary and appropriate to effectuate the transfer and assignment.

Section 3. This resolution shall take effect immediately.

The next two items on the agenda were added to the agenda after the initial September 5, 2012 circulation of the board materials.

The next item on the agenda was a resolution amending the By-Laws. Mr. Connor presented the item and stated that the President of the Office of Professional Services has requested an amendment to the By-Laws to clarify and formalize the position of the Director of Internal Audit of Division of Housing and Community Renewal (“DHCR”) within HTFC and to empower the Director of Internal Audit to conduct internal audits on HTFC and review its books and records. He stated that the proposed amendment is consistent with Section 45-a(11) of the New York Private Housing Finance Law, which provides that DHCR may render such services to HTFC. Mr. Connor stated that the amendment is intended to provide additional oversight of HTFC and aimed to make the corporation stronger.

Ms. McCormick asked about how common it is for an internal auditor to report to staff rather than to the head of an agency. Mr. Connor responded that the Director of Internal Audit would be reporting to the President of the Office of Professional Services. He stated that the Director of Internal Audit could either report directly to the Board or to the President of Professional Services, and indicated that the decision was up to the Board.

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

Section 1. The Members hereby authorize the Director of Internal Audit for the DHCR to conduct internal audits and reviews of the books and records of HTFC and/or any Office of HTFC at his or her discretion.

Section 2. The Members hereby adopt the annexed revised By-Laws, which include amendments to Article 9, Section 2.

Section 3. This resolution shall take effect immediately.

The next item on the agenda was a resolution approving technical assistance contracts. Ms. Dembling presented the recommendation that the agency enter into 11 new contracts with consultants for technical assistance services. She stated that the 11 contracts resulted from an RFP issued in May 2012 for technical assistance services to assist HCR staff, potential not-for-profit applicants, and awardees, in developing and managing housing and community revitalization projects. Ms. Dembling presented the four elements of service that were included in the RFP: case-by-case assistance, group training, lead based paint activity training, and MWBE outreach. Ms. Dembling stated that the agency received 8 proposals for case-by-case assistance, 8 for group training, 3 proposals for lead based paint activity training, and 4 proposals for MWBE outreach. She reported that some firms are returning firms, and

noted that 4 of the 11 primary firms were MWBE certified firms and many of the sub-consultants in the proposals bid were MWBE certified as well.

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

Section 1. The Members hereby approve the entering into of contracts with the firms identified below for an initial one-year term, with up to four additional one-year renewals, through 2017:

Franke Consulting Group
Environmental Education Associates, Inc.
Landair, Inc.
The Smith Group
Downtown Revitalization Group
Thompson Economic Development Services, LLC
NYS Rural Housing Coalition, Inc.
Neighborhood Preservation Coalition, Inc.
Sacks Communication & A.L. Consulting
Urban Redevelopment Group, LLC d/b/a URG Construction Services
Cornell Cooperative Extension of Albany County

Section 2. The Members hereby authorize the President of the Office of Professional Services 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 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. With respect to the Treasurer's Report, Ms. Zucker asked why \$2.7 million was given back to the general fund. Mr. Markowski explained that the \$2.7 million is a reimbursement to DHCR for salaries associated with the HOME program. He stated that while the money may end up in the general fund, it is for DHCR's use for reimbursement of salaries. He indicated that this is common practice and applies across other programs as well, including the HCV program and the PBCA program. Ms. Zucker requested further explanation of the Treasurer's Report, but in the interest of time, she indicated that she would speak to Mr. Markowski off the record.

There were no other questions regarding the informational items.

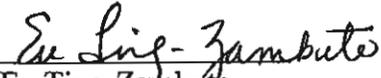
Chairman Towns acknowledged that it would be Ms. McCormick's last meeting. He stated that she has been a tremendous asset to the corporation and an asset to him by assisting

him in his transition as Chairman. Chairman Towns thanked Ms. McCormick for her service and wished her well on the next chapter of her journey.

Ms. McCormick thanked the Commissioner and responded that sitting on the Board has been a privilege and a pleasure.

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

Dated: September 11, 2012


Eu Ting-Zambuto
Secretary