

**MINUTES OF THE REGULAR MEETING OF THE  
THE 431<sup>ST</sup> MEMBERS' MEETING OF THE  
NEW YORK STATE HOUSING FINANCE AGENCY  
HELD ON OCTOBER 6, 2011 AT 1:38 P.M.  
AT ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES

PRESENT:

Karen A. Phillips	Vice Chairperson
Thomas H. Mattox	Member
Royce A. Mulholland	Member
Darryl C. Towns	Member
Steven J. Weiss	Member
Meghan Anderson	Division of the Budget, representing Robert Megna, Member (via video conference)
Aida Brewer	Division of Taxation and Finance, representing Thomas A. Mattox, Member

Vice Chairperson Phillips chaired the meeting; Alejandro J. Valella, Vice President and Deputy Counsel, acted as secretary. The meetings of the Affiliated Agencies opened in joint session for consideration of matters of shared importance. These minutes reflect only those items being considered by the Members of the New York State Housing Finance Agency. A record of items considered by other Agencies is contained in the minutes of each Agency respectively.

**The first item on the agenda was the President's Report.** Commissioner Towns thanked Vice Chairperson Phillips for her work as the acting chair and noted her work in helping the Agencies accomplish their mission. He then acknowledged the recent flooding in New York and mentioned that this could lead to the Agencies receiving new resources to help alleviate the crisis. He then mentioned the Agencies growing emphasis on economic development and stated the Agencies are focused on finishing the year strong. He concluded by saying that the Agencies are preparing to be even more active next year.

**The next item on the agenda was the approval of the minutes of the 430<sup>th</sup> Member's meeting for HFA, held on September 15, 2011.** There was one correction to the minutes

regarding the Burt Farms II Apartments project. The resolution in the minutes incorrectly noted the principal amount of the issuance from the Federal New Issuance Bond Program as “not exceeding \$3,300,000.” The correct amount approved by the Members was “not exceeding \$3,700,000.” This correction was noted and there were no objections by the Members therefore the minutes were deemed approved.

At this point, Vice Chairperson Phillips called to order the 13<sup>th</sup> Finance and Program Committee meeting of the New York State Housing Finance Agency to be held jointly with the Board meeting for consideration of the next seven items.

**The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$260,000,000 for 160 West 62<sup>nd</sup> Street Apartments.** Ms. Zucker presented on this project by summarizing the financing request. She stated that this was an 80/20 project, that 68 units would be set aside for tenants with incomes at or below 50% of AMI, that the project’s total development cost is estimated to be about \$323.5 million, and that the project is expected to create 750 construction jobs and 28 permanent jobs. Next, she outlined the sources of the borrower’s equity and discussed the project costs related to land acquisition, hard costs, and soft costs. She also noted that the project site was acquired from Fordham University. She then explained the project’s high costs per unit, but she then distributed a chart showing how these costs compared to other projects financed by HFA.

Steven Weiss commented that the comparison chart was very helpful and stated he wished the chart could be expanded with additional categories. He then asked for a breakdown on the \$63 million estimated cash equity to be provided by the borrower. Ms. Zucker responded that it was entirely a cash contribution. This discussion related to HFA’s calculation of its fees. Ms. Zucker noted that the borrower was already spending money because construction had already commenced.

Mr. Weiss then asked for clarification on the access or easement provided to this project site by an adjacent site. Vice Chairperson Phillips then disclosed that she is a Member of the New York City Planning Commission and that the SEQRA for this project had been before the Commission. However, she stated that it was not necessary that she recuse herself because she has no “fiduciary benefit.” She then expressed some policy concerns related to the amount of bond financing relative to the amount of low income units. She stated that this policy concern was a long-term concern of the Board. At this point, there were no further comments or questions.

Steven Weiss moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted unanimously:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS 160 WEST 62<sup>ND</sup> STREET APARTMENTS.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET APARTMENTS HOUSING REVENUE BONDS.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2011 SERIES A-1, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2011 SERIES A-2, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2011 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2012 SERIES A-1, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2012 SERIES A-2, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2012 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2013 SERIES A-1, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET HOUSING REVENUE BONDS, 2013 SERIES A-2, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 160 WEST 62<sup>ND</sup> STREET**

**HOUSING REVENUE BONDS, 2013 SERIES B, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$260,000,000.**

The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$78,500,000 for 111 Nassau Street Apartments. Ms. Zucker presented on this project by summarizing the financing request. She stated that this was an 80/20 project, that 34 units would be set aside for tenants with incomes at or below 50% of AMI, that the project's total development cost is estimated to be about \$125 million, and that the project is expected to create 500 construction jobs. Next, she outlined the sources of the borrower's equity, including a requirement that the borrower provide an equity letter of credit. She also discussed the project costs related to land acquisition, hard costs, and soft costs. She then noted that the project would result in residential space, office space, and retail space. A chart was distributed, which showed this project's costs compared to other projects financed by HFA.

At this point, Ms. Zucker and the Board engaged in a conversation regarding the general resolution permitting 80/20 financing. Vice Chairperson Phillips noted the amount of jobs that this project would create, but she then asked about efforts to ensure local workers were hired. Ms. Zucker mentioned HFA's compliance with the MWBE programs. There was then a general discussion on how to facilitate more local hiring on these projects.

Royce Mulholland asked about the tax credit pricing on this deal. Ms. Zucker responded that there was no tax credit syndication on this deal.

Steven Weiss moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted unanimously:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS 111 NASSAU STREET.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 111 NASSAU STREET HOUSING REVENUE BONDS, 2011 SERIES A IN A PRINCIPAL AMOUNT NOT EXCEEDING \$78,500,000 (TAX EXEMPT).**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF 111 NASSAU STREET HOUSING REVENUE BONDS, 2011 SERIES B IN A PRINCIPAL AMOUNT NOT EXCEEDING \$78,500,000 (TAXABLE).**

The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$9,460,000 for Wartburg Marie Heins Senior Apartments. Ms. Zucker presented on this project by summarizing the financing request. She outlined that this project would result in 61 units of senior affordable housing and that the project's total development cost would be about \$17 million. Next, she explained that this project would be

located on the campus of the Wartburg Home of the Evangelical Lutheran Church. She also mentioned that this project would be supported by an HFA subsidy loan, low-income housing tax credits, a loan from the Wartburg Foundation, as well as a Health Efficiency and Affordability Loan. She noted the tax credits are expected to be priced at 95 cents. Lastly, she described the borrower's managing member, the managing agent, and the general contractor.

Vice Chairperson Phillips and Ms. Zucker then discussed that the project would create independent senior living as opposed to assisted senior living. Ms. Zucker then assured Vice Chairperson Phillips that the units created would be open to the general public and widely marketed.

Steven Weiss then wanted to clarify whether the bonds would be issued through the New Issue Bond Program. Ms. Zucker responded that it was expected that the bonds would be issued through the New Issue Bond Program. Mr. Weiss and Ms. Zucker then discussed the New Issue Bond Program's letter of credit requirement.

Vice Chairperson Phillips asked about the Health Efficiency and Affordability Loan. Ms. Zucker explained that this loan program was administered through the New York State Department of Health and that the program was partially funded by the Dormitory Authority of the State of New York. She also summarized that the program exists to improve long-term care services and develop community-based alternatives to traditional nursing home care.

Steven Weiss moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted unanimously:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS WARTBURG MARIE LOUISE HEINS SENIOR APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$9,460,000.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUANCE BOND PROGRAM), ADDITION SERIES 1 PARITY BOND RESOLUTION IN A PRINCIPAL AMOUNT NOT EXCEEDING \$9,460,000.**

**The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$9,200,000 for Bradmar Village Apartments.** Ms. Zucker presented on this project by summarizing the financing request. She outlined that the project's total

development cost would be about \$15.5 million and that the project would rehabilitate an existing Section 8 affordable housing project with 100 units. She noted that the rehabilitation would include significant interior and exterior capital improvements and apartment upgrades. Next, she mentioned that this project would be supported by an HFA subsidy loan and low-income housing tax credits. The tax credits are expected to be priced at 89 cents. She then highlighted that the bonds would be issued through the New Issue Bond Program, that JP Morgan Chase would provide a letter of credit during the rehabilitation period, and that the SONYMA Mortgage Insurance Fund would provide credit enhancement during the permanent loan period. She also noted that the financing is expected to provide approximately 100 full-time construction jobs. A chart was then distributed, which showed this project's costs compared to other projects financed by HFA. Lastly, Ms. Zucker described the fee owner, beneficial owner, and managing agent. She then expanded on PathStone's involvement in the project.

Steven Weiss then disclosed that he represents PathStone. However, he stated he did not have a conflict of interest and he did not have to recuse himself because he was not involved in representing PathStone on this project.

Steven Weiss moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted unanimously:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS BRADMAR VILLAGE APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$9,200,000.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUANCE BOND PROGRAM), ADDITION SERIES 1 PARITY BOND RESOLUTION, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$9,200,000.**

**The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$6,820,000 for Gateway Gardens Apartments.** Ms. Zucker presented on this project by summarizing the financing request. She noted the project's location in Suffolk County and then outlined that the project's total development costs would be about \$9.5 million. She also discussed that the project would rehab 40 units and construct another two units, and that 39 of these units would be set aside for tenants with incomes at or below 60% of AMI. She described the rehabilitation as including the replacement of heating systems, electrical systems, roofs, windows, bathrooms, kitchens, flooring, lighting, insulation, doors, repairs to brick pointing, repairs to exterior siding, repairs and painting of interior walls, landscaping, repaving

of parking lots and repair of sidewalks. She explained that the project would benefit from Project Based Section 8 Vouchers and low-income housing tax credits. The tax credits are expected to be priced at 97 cents. Next, she noted that the bonds would be issued through the New Issue Bond Program, that The Bank of New York would provide a letter of credit during the rehabilitation and construction period, and that the SONYMA Mortgage Insurance Fund would provide credit enhancement during the permanent loan period. Ms. Zucker then noted that the borrower is acquiring the property from the Huntington Housing Authority. She noted though that the Managing Member of the borrower will be a corporation whose members will be local housing and business leaders including some or all of those currently on the Board of the Huntington Housing Authority. She also described both the developer and managing agent as experienced. Lastly, she thanked Gail Bressler, Vice President of Multifamily Finance, and her staff for their hard work identifying the subsidy to help make this project possible.

Steve Weiss then stated that he was recusing himself from voting because he was representing someone that was involved in the project.

Royce Mulholland moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted, with Steve Weiss recusing himself:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS GATEWAY GARDENS APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,820,000.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUANCE BOND PROGRAM), ADDITION SERIES 1 PARITY BOND RESOLUTION IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,820,000.**

**The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$6,000,000 for Towpath Preservation Apartments.** Ms. Zucker presented on this project by summarizing the financing request. She noted the project's location in Wayne County and then outlined that the project's total development costs would be about \$9.5 million. She also discussed that the project would rehab three existing Section 8 senior affordable buildings in which all 97 units are expected to be set aside for seniors with incomes at or below 60% of AMI. She also mentioned that this project would be supported by an HFA subsidy loan and low-income housing tax credits. The tax credits are expected to be priced at 87 cents. The borrower has applied for a Federal Home Loan Bank loan and some of the proceeds from this loan will be applied to reimburse the HFA's subsidy loan. She also described the

general contractor as experienced. Lastly, she noted that the financing is expected to provide approximately 21 construction jobs.

Thomas Mattox then inquired about whether these projects purchase local building supplies. Next, Royce Mulholland asked about these tax credits being priced at 87 cents considering that other projects in Upstate New York were priced slightly higher. Ms. Zucker responded that the pricing on these tax credits was reasonable and suggested that this allocation was priced lower because the total allocation for this project was under \$3 million.

Steven Weiss previously disclosed that he represents PathStone. He previously stated though that he did not have a conflict of interest and he did not have to recuse himself because he was not involved in representing PathStone on this project.

Steven Weiss moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted unanimously:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS TOWPATH PRESERVATION APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,000,000.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUANCE BOND PROGRAM), ADDITION SERIES 1 PARITY BOND RESOLUTION, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,000,000.**

**The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$4,500,000 for Village Square Senior Apartments.** Ms. Zucker presented on this project by summarizing the financing request. She explained that this financing would fund the rehabilitation of an existing Mitchell-Lama project located in Steuben County. She noted that the project contains a total of 75 units, of which 64 units are expected to be set aside for senior households with incomes at or below 60% of AMI. She then outlined the project's total development costs, which are estimated to be about \$6.5 million. Lastly, she noted that the financing is expected to provide approximately 13 construction jobs.

Steven Weiss, Commissioner Towns, and Ms. Zucker then discussed the relationship between the regional economic development councils and the proceeds from HFA's subsidy loans. Vice Chairperson Phillips then inquired about how the financing would be dispersed to the borrower. Gail Bressler explained that this disbursement was unique because the borrower

was taking on some risk since it is spending funds up front and being reimbursed by HFA at a later date.

Steven Weiss moved to adopt the resolutions; Commissioner Towns seconded the motion; and the following resolutions were adopted unanimously:

**AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS VILLAGE SQUARE SENIOR APARTMENTS.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$4,500,000.**

**A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUANCE BOND PROGRAM), ADDITION SERIES 1 PARITY BOND RESOLUTION, 2011 SERIES \_\_ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$4,500,000.**

At this point, Vice Chairperson Phillips concluded the HFA Program and Finance Committee meeting.

**The next item on the agenda was a resolution authorizing the approval of a subsidy loan in the amount of \$100,000 for St. Philip's Senior Apartments, New York City.** Ms. Zucker presented on this project by summarizing the financing request. She outlined the project's history, noting that it is a fourteen-story building with 200 residential units that was built in 1973 under the Mitchell-Lama Program. She then described the building as distressed because it is roughly 50% occupied. As a result, a cash flow problem exists and the owners are struggling to afford heating oil. She outlined that the Agencies' staff is working with the building owners to work out a new financing deal. Nonetheless, considering that the winter months are approaching, Ms. Zucker explained that the subsidy loan is necessary so that the owners can purchase heating oil.

Thomas Mattox asked if this is a typical request. Ms. Zucker responded that it was not typical. Mr. Mattox then asked whether the tenants could apply individually for some sort of heating cost subsidy. Ms. Zucker responded that the building is set up such that the building owners are responsible for the heating oil purchase therefore individual heating oil subsidies could not apply.

Royce Mulholland then inquired about the ownership team and any concerns about their performance. Ms. Zucker touched on the concerns. She stated that the new financing that is being worked on by the staff would not instill a new ownership team. Royce Mulholland and

Ms. Zucker agreed that before the new financing could be finalized there needed to be an understanding of how these shortcomings came about and a renewed confidence that the ownership team could carry out any renovations. Mr. Mulholland and Mr. Mattox then discussed HFA's authority to require new management and expressed a need to ensure HFA was adequately protecting its assets. Commissioner Towns then stressed that this discussion could be had when that new financing is brought before the Board and that the pressing issue was making sure that the building got heating oil for the winter months.

Steven Weiss moved to adopt the resolution; Commissioner Towns seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING A SUBSIDY LOAN FOR THE PROJECT KNOWN AS ST. PHILIP'S SENIOR APARTMENTS.**

**The next item on the agenda was a resolution authorizing a \$4,650,000 Subordinate Loan for Howard Beach Senior Apartments.** Ms. Zucker presented on this project by summarizing the financing request. She discussed that this project is part of a New York State initiative to make state properties available for the development of affordable housing if the properties are no longer needed for state operations. She noted that HFA issued a Request for Proposals to purchase and develop this site and that Catholic Charities Progress of Peoples Development Corporation was selected. Next, she outlined the nine funding sources being leveraged to bring this project to fruition. In particular, she noted that \$1 million is coming from the Queens Borough President Funds and another \$1 million is coming from HPD City Council Funds. She also noted that the project involves 9% low-income housing tax credits, which are expected to be priced at \$1.045. There was then a brief conversation about the use of the New York State Low Income Housing Tax Credit Program in this project.

Ms. Zucker then discussed that HFA's financing would fund a permanent loan under HFA's Subsidy Fund Loan Program. She then specified that the project would result in rental apartments for senior citizens and persons who are developmentally disabled. She concluded by highlighting how this project would significantly transform an old state resource into affordable housing.

Steven Weiss moved to adopt the resolution; Commissioner Towns seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING A SUBORDINATE LOAN FOR THE PROJECT KNOWN AS HOWARD BEACH SENIOR APARTMENTS.**

**The next item on the agenda was a resolution regarding the use of subsidy.** Ms. Zucker presented on this item. She explained that generally HFA accounts for its subsidy loans on its balance sheet. However, some IRS restrictions apply to the use of Private Activity Bonds for multi-family housing and these restrictions relate to the spread between the Agency's borrowing and lending rates. HFA generally forward commits its lending rates to provide the

borrower some predictability. Thus, given the recent market activity, the IRS restrictions have come into effect. As a result, Ms. Zucker explained that it was in the best interests of HFA to pledge some of its subsidy loans as additional collateral for the Agency's Affordable Housing Revenue Bond program in order to be compliance with the IRS restrictions. There were no questions or comments from the Members in connection with this item.

Steven Weiss moved to adopt the resolution; Commissioner Towns seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE  
AGENCY AUTHORIZING THE PLEDGE SUBSIDY LOANS AS  
ADDITIONAL COLLATERAL FOR ITS AFFORDABLE HOUSING  
REVENUE BONDS.**

Vice Chairperson Phillips thanked the staff for all their efforts. There being no unfinished business, Steven Weiss moved to adjourn the meeting; Royce Mulholland seconded the motion; and the meeting was adjourned at 3:22 p.m.

  
Secretary