

**MINUTES OF THE 418th MEMBERS' MEETING OF THE
NEW YORK STATE HOUSING FINANCE AGENCY
HELD ON MAY 13, 2010 AT 1:37 P.M. AT
ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES:

PRESENT:

Judd S. Levy	Chairman
Karen A. Phillips	Vice Chairperson
Brian Lawlor	Member
Elaine McCann	Division of the Budget, representing Robert Megna, Member (via video conference)

ABSENT:

Royce A. Mulholland	Member
Jamie Woodward	Member

Chairman Levy chaired the meeting; Joy F. Willig, Senior Vice President and Counsel, acted as secretary. The meetings of the Affiliated Agencies opened in joint session for the consideration of various matters of shared importance. These minutes reflect only those items being considered by the Members of the 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. Brian E. Lawlor, President and Chief Executive Officer, reported on the progress on the integration of the Agencies, noting that the first joint staff meeting had occurred, and that staff from NYHomes and DHCR were actively working with each other to figure out ways to develop more efficient processes. He concluded by reporting on the celebration of HFA's fiftieth and SONYMA's fortieth anniversaries.

Chairman Levy noted that HFA and SONYMA had never formally approved, nor had they been requested to approve, the planned consolidation of NYHOMEs and DHCR. He also requested that Board Members consider the implications of having the Commissioner of DHCR serve as the President of these independent agencies. Chairman Levy added that he had no particular areas of concern, but asked the Member to reflect on any potential conflicts of interest. He noted that while there were many benefits to integration that the Board should remain cognizant of the different constituencies that the President serves. Ms. Bayer noted that she had

questions about the fact that an ex officio member of the Board, such as Mr. Lawlor, who held the ex officio position by virtue of being the Commissioner of DHCR, would now also serve as President of the Agencies.

The next item on the Agenda was an update on Authority Budget Office Matters. Joy Willig, Senior Vice President and Counsel, highlighted certain information contained in the materials provided to the Members in connection with this item under a separate cover, which is incorporated herein by reference. She informed the Board Members that the Agencies had received a questionnaire from the Authorities Budget Office regarding compliance with certain of the provisions of the Public Authorities Reform Act of 2009. Ms. Willig noted that the Agencies were in compliance with the new law and that a response to the questionnaire would be composed by staff before the May 26, 2010 due date. Ms. Willig also noted that some of the board Members had received correspondence from certain members of the New York State Assembly inquiring about the Agencies compliance with the MWBE policies of the new law. Mr. Lebowitz noted that the letter included statistics which indicate that State MWBE programs have not yet been successful and that he would want the response to include a statement from the Agencies as to the level of success of their MWBE policies. Ms. Willig proposed that staff would compose a draft of a response to the letter from the State Assembly and present it to the Members at the following meeting.

The next item on the agenda was the approval of the minutes of the 417th HFA Members' meeting, held on April 8, 2010. There being no objections or corrections by the Members, the minutes were deemed approved.

The next item on the agenda was a resolution reviewing and approving the Agencies' various Facilities & Administrative Services contracts and annual review of Purchase Order Agreements. Information with respect to this item was provided to the Members in advance of the meeting, and in an update memo contained in the Members folders; this information is incorporated herein by reference. There was no discussion or questions on this item.

Ms. Phillips moved to adopt the resolution; Mr. Lawlor seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE
AGENCY AND STATE OF NEW YORK MORTGAGE AGENCY
EXTENDING CERTAIN FACILITIES AND ADMINISTRATIVE
CONTRACTS**

The next item on the agenda, the annual review of printer services agreements with companies on the Agencies' prequalified printer panel, was presented for informational purposes. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. There was no discussion or questions on this item.

Next Ms. Zucker gave an overview of the projects that HFA was requesting approval for. She noted that plans were for bonds for three of the projects to be issued in the New Issuance

Bond Program (NIBP) portion of the open resolution. She added that staff was requesting approval for those projects to proceed with either an NIBP issuance or within the open resolution without that program, noting that staff continued to work on resolving issues with Fannie Mae to get that entity's approval for NIBP projects.

The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$9,500,000 for Bay Shore Apartments located at 9455, 9457, 9458, 9462, 9467, and 9468 Chalkstone Course in Brewerton, Onondaga County. David Walsh, Senior Vice President of Multifamily Housing, highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. Mr. Walsh noted that this was the Agency's first project in the 515 Program, which was established by the Department of Agriculture (USDA) to fund affordable rental housing in rural locations. He added that the bonds would only be outstanding during construction, and that the 515 program limits distribution of income to 8% of the originally invested equity on annual basis. He explained that the increasing cash flow over time will be applied toward interest on the subsidy loan.

Ms. Phillips moved to adopt the resolutions; Ms. McCann 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 FOR THE PROJECT KNOWN AS BAYSHORE APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2010 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$9,500,000

The next item on the agenda was a resolution authorizing financing approval in an amount not to exceed \$15,500,000 for Concern MacDougal Apartments, located on MacDougal Street, Brooklyn, Kings County. Mr. Walsh highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. He noted that the project was for new construction of an all affordable supportive housing project for tenants with psychiatric disabilities, and that the project was already under construction funded by OMH. He added that the bond proceeds will be used to take out the OMH loan once construction was completed, and would be held in escrow until that time. Chairman Levy clarified that the bonds will not be issued until OMH's construction fund was unfrozen by the State. Ms. Phillips noted her concern that recently redeveloped neighborhoods were being oversaturated by supportive housing due to lack of coordination between state and city programs, and that community stability could be affected.

Ms. Phillips moved to adopt the resolution; Ms. McCann 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 FOR THE PROJECT KNOWN AS CONCERN MACDOUGAL APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2010 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$14,800,000

The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$12,160,000 for Hughes House Apartments, located at 1974 Hughes Avenue, Bronx County. Mr. Walsh highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. He noted this was another supportive housing project with financing structured in same way as Concern MacDougal.

Ms. Phillips moved to adopt the resolutions; Ms. McCann 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 FOR THE PROJECT KNOWN AS HUGHES HOUSE APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2010 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$12,160,000

The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$10,000,000 for Montcalm Apartments, located at 220 Burke Drive, Town of Queensbury, Warren County. Mr. Walsh highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. He noted that the decoupling and extension process with HUD was well underway and was anticipated to be completed within the next couple of weeks.

Ms. Phillips moved to adopt the resolutions; Ms. McCann 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 FOR THE PROJECT KNOWN AS MONTCALM APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF

AFFORDABLE HOUSING REVENUE BONDS, 2010 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$10,000,000

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUE BOND PROGRAM), ADDITIONAL SERIES 1 PARITY BONDS, 2010 SERIES __ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$10,000,000

The next item on the agenda was resolutions authorizing financing approval in an amount not to exceed \$6,200,000 for Westfall Heights Apartments located on Westfall Road, Rochester, Monroe County. Mr. Walsh highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. He noted that the project is located in a good area of Rochester, with a risk becoming market rate, adding that the Agency was pleased that this project would remain affordable.

Ms. Phillips moved to adopt the resolutions; Ms. McCann 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 FOR THE PROJECT KNOWN AS WESTFALL HEIGHTS APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2010 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,200,000

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUE BOND PROGRAM), ADDITIONAL SERIES 1 PARITY BONDS, 2010 SERIES __ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$6,200,000

The next item on the agenda was resolutions authorizing financing for Genesis Neighborhood Plaza II, Brooklyn, Kings County. Mr. Walsh highlighted certain information contained in the supplemental materials. He noted that this project had previously been approved by the board, and at that time had consisted of 119 units of supportive housing. He added that because of changes to the zoning analysis the building was redesigned and will contain 98 units: 49 units for families and 49 for homeless veterans. He noted that this would be the first project in a new program from the Veterans Administration which would provide project based vouchers. Ms. Willig clarified that the only change in the financing proposal being voted on was to allow the project to be financed under the federal New Issue Bond Program.

Ms. Phillips moved to adopt the resolutions; Ms. McCann 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 GENESIS NEIGHBORHOOD PLAZA II PROJECT

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, 2010 SERIES _ IN A PRINCIPAL AMOUNT NOT EXCEEDING \$21,250,000

The next item on the agenda was a supplemental resolution amending the **Affordable Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series I Resolution**. Ms. Zucker highlighted certain Information contained in the materials provided to the Members in connection with this item, which is incorporated herein by reference. She noted that the changes which staff was proposing to make to the NIBP Series I Resolution were relatively minor technical modifications and would ease the operation of the program. The Members had no questions or issues to discuss regarding this item.

Ms. Phillips moved to adopt the resolution; Ms. McCann seconded the motion; and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OR THE EXECUTIVE VICE PRESIDENT OF THE AGENCY TO APPROVE AND EXECUTE CHANGES TO A SUPPLEMENTAL RESOLUTION AMENDING CERTAIN PROVISIONS OF THE AFFORDABLE HOUSING REVENUE BONDS (FEDERAL NEW ISSUE BOND PROGRAM), 2009 SERIES 1 RESOLUTION

The next item on the Agenda was the **Approval for the Termination of the SWAPS relating to the 2003 Series A-D Bonds**. Ms. D'Agostino highlighted certain Information contained in the materials provided to the Members in connection with this item under a separate cover, which is incorporated herein by reference. She explained that at the request of the Division of the Budget the Empire State Development Corporation was refunding some of the Agency's bonds and that as a result of the refunding two SWAPS needed to be terminated. Mr. Levy inquired if the Agency was satisfied with the reasoning behind the refunding. Ms. Zucker noted that the Agency was not involved in the decision to refund the bonds and that it was based on a policy of the DOB to reduce variable rate debt exposure. She noted that as a result of the refunding the Agency would lose approximately \$300,000. Mr. Levy asked that the resolution be amended to state that the SWAP terminations were approved subject to the Agency receiving assurances from DOB that any termination payment payable by the Agency would be made available to the Agency by DOB prior to the payment date. Ms. Willig agreed to add the extra provision to the resolution.

Ms. Phillips moved to adopt the resolution; Ms. McCann seconded the motion; and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY APPROVING THE TERMINATION OF SWAPS RELATING TO THE 2003 SERIES A – D BONDS

The next item on the agenda was a resolution authorizing an emergency loan not to exceed \$125,000 from the Manufactured Home Cooperative Fund program to the Knox Estates Manufactured Home Park for certain capital improvement. Mr. Walsh highlighted certain information contained in materials provided to the Members at the meeting in connection with this item via e-mail and a copy in the Members' folders. He noted that the loan was for an amount not to exceed \$125,000 to replace two failing septic systems being undertaken at this time in response to a letter from the Albany Department of Health. He added that staff was still working out repayment terms to determine if the project could support making this loan coterminous with the existing mortgage, or if a thirty year term for the new loan would be required.

Chairman Levy asked if a means of delegating the ability to approve emergency funding to staff should be implemented, and requested that staff come back to the board with recommendations regarding this issue.

Ms. Phillips moved to adopt the resolution; Ms. McCann seconded the motion; and the following resolutions were adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AN EMERGENCY LOAN UNDER THE MANUFACTURED HOME COOPERATIVE FUND PROGRAM IN CONNECTION WITH THE KNOX ESTATES MANUFACTURED HOME PARK

The next item on the agenda was a resolution approving entering into contracts with firms on the Agency's newly established appraisal and market study consultant pre-qualified panel. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. There was no discussion or questions on this item.

Ms. Phillips moved to adopt the resolution; Ms. McCann seconded the motion; and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY APPROVING THE ENTERING INTO OF CONTRACTS FOR APPRAISAL AND MARKET STUDY CONSULTANT SERVICES

There being no unfinished business, Ms. Phillips moved to adjourn the meeting; Mr. Lawlor seconded the motion; and the meeting was adjourned at 3:16 PM.


Secretary