

**MINUTES OF THE DIRECTORS MEETINGS OF THE
STATE OF NEW YORK MORTGAGE AGENCY**

**HELD ON THURSDAY, JANUARY 30, 2020 AT 10:15 A.M.
641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Kenneth G. Adams	Chairman
RuthAnne Visnauskas	Commissioner of the New York State Division of Housing and Community Renewal, Member
Dave Kapell	Director
Jonathan Ballan	Director
Jesse Olczak	New York State Division of the Budget, representing Robert Mujica, Director (via video conference)

Chairman Adams presided over the meeting. Ms. Linda Manley, Senior Vice President and Counsel to HCR, formally opened the meetings and acted as secretary.

Ms. Manley noted that Mr. Jesse Olczak, representing Mr. Robert F. Mujica, the Director of the New York State Division of the Budget and Andrew San Filippo, representing the State Comptroller participated from the Agencies' Buffalo regional Office at Electric Tower, 535 Washington Street, Suite 105.

Ms. Manley asked for motions and seconds to call to order the January 30, 2020 meetings of the New York State Housing Finance Agency (HFA), the New York State Affordable Housing Corporation (AHC), the State of New York Mortgage Agency (SONYMA), the New York State Municipal Bond Bank Agency (MBBA) and the New York State Tobacco Settlement Financing Corporation (TSFC).

Ms. Manley asked for a motion to call the meeting of the SONYMA Board to order, Chairman Adams motioned to call the SONYMA Board to order and Mr. Kapell seconded the motion.

Ms. Manley noted that these motions and seconds would be used, unless specific items called for a different vote, or unless any Committee Member wished to record his or her vote differently.

Chairman Adams stated that Ms. Visnauskas would make her President's Report.

Ms. Visnauskas reported that while this morning's meeting is packed full of administrative items including the review and approval of financial, investment and mission statements, the Mortgage Insurance Committee will consider insurance for projects representing 82 units of affordable housing located in Erie, Rensselaer and New York Counties. She added that AHC staff will be reporting new awards of \$1.9million for 120 units of affordable housing all located outside of NYC. She then reported on recent events throughout the State. She noted that on January 8th – Governor Cuomo delivered his 10th annual State of the State address entitled, "Making Progress Happen." Some of the Governor's proposals include a Domestic Terrorism Law; the 'Restore Mother Nature' Bond Act; Legalizing Cannabis; Expanded Excelsior Free College Tuition; Paid Sick Leave and Fighting Child Poverty. Specific to housing, the Governor stated plans to Diversify the State's affordable housing initiatives by expanding the State's efforts to manufactured home parks, addressing the urban blight in the state's upstate cities and helping families continue to move to neighborhoods of opportunity. Additionally, the State will continue to prioritize community renewal and revitalization, supporting projects that are part of coordinated neighborhood plans that integrate access to transportation and are developed through inclusive, transparent processes in which community members are able to participate. She then reported on her recent activities on behalf of the Agencies throughout the State. On January 9th, she attended the Loreto Apartments ground-breaking in Brooklyn. The project will include 135 units for seniors with support services. On January 10th, the Rent forum with Manhattan Borough President Gale Brewer. On January 13th, a Rent forum with Bronx Borough President Rueben Diaz, Jr. Ms. Visnauskas then went back to provide a summary of the Governor's budget as it impacts the Agencies. Within the budget are housing and services for the homeless, including those with mental illness. The Governor proposed an aggressive strategy and the most funding in the State's history to provide housing and services to these vulnerable populations. Building on the State's \$20 billion affordable housing and homeless initiative, the FY 2021 Budget doubles funding from \$64 million to \$128 million for the Homeless Housing Assistance Program and invests \$5 million for projects for homeless veterans. Ms. Visnauskas then noted that on Wednesday she will be presenting the Agency's budget testimony to the legislature. Lastly, Ms. Visnauskas noted the upcoming retirement of Alex Valella, Vice President and Deputy Counsel, who in addition to his duties providing advice on the Agencies' financing activities, has been responsible for Board matters since 2007. She and the Board congratulated Mr. Valella noted that he will be missed and wished him well.

Chairman Adams noted that Ms. Manley would report on committee actions.

Ms. Manley reported the following Audit Committees, Governance Committees and SONYMA Finance and Program Committee actions:

Audit Committees

- All five Committees adopted minutes.
- HFA, SONYMA, MBBA, and TSFC recommended the approval of the Agencies'

Financial Statements for Fiscal Year 2019 and received a presentation from staff in connection with the Agencies' activities during calendar year 2019.

- The SONYMA Committee adopted a resolution approving the Department of Financial Services
- All five committees adopted a resolution approving the Audited Supplementary Financial Information (OFI) Report.
- All five committees received the audit committee evaluation materials.
- All five committees adopted a resolution approving the 2018 audit follow-up reports.

Governance Committees

- All five Committees adopted minutes.
- All five Committees adopted a resolution recommending the approval of Board Self-Evaluation.
- All five Committees adopted a resolution recommending the review and approval of the Agencies' Mission Statements.
- The HFA and SONYMA Committees reviewed a contract for Electronic Records Management
- The HFA, SONYMA and MBBA Committees adopted a resolution recommending the approval of Acquisition/Disposition and Inventory Guidelines and Reports.
- All five Committees reviewed Legal Services contracts with firms on the Agencies' non-bond counsel panel and approved contracts with certain law firms.
- All five committees received the governance committee evaluation materials.

SONYMA Finance and Program

- The Committee approved minutes of the January 24, 2019 meeting.
- The Committee recommended the adoption of Series Resolutions authorizing the issuance of bonds.

The first item on the Agenda was the adoption of the minutes of the SONYMA Board meeting held on December 12, 2019. There being no objections or corrections from the Directors, the minutes were deemed approved.

The next item on the Agenda was a resolution of the review and approval of the Mission Statements of the Agencies. Mr. Valella made a presentation on the Mission Statement, focusing his remarks on how the Agencies had prepared and submitted to the Boards a document entitled "Performance Measures" which contains a summary of the Agencies' activities during the last year. The documents serves as a test of whether the Agencies are fulfilling their missions, as they appear in the Mission Statements. He noted that the report includes the activities of HFA, SONYMA, AHC and the MIF, as well as activities in Fair Housing, green bond efforts, MWBE efforts and also includes a report on the Agencies' fiscal health. He concluded by noting that it was staff's view that no change was needed to the Mission Statements.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT FINANCING CORPORATION REVIEWING AGENCY MISSION STATEMENTS

The next item on the Agenda was approval of the Board Self-Evaluation. Mr. Valella noted the summary contained in the Board materials of the responses received from the Board to the questionnaire sent to them. He noted that this year there were fewer responses than last year, due to recent events concerning Board members. He noted that the responses indicated that Board members were in substantial agreement that the Board was performing well.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND THE TOBACCO SETTLEMENT FINANCING CORPORATION CONCERNING BOARD SELF-EVALUATIONS

The next item on the Agenda was a resolution approving the Agencies' Financial Statements for Fiscal Year 2019. Chairman Adams noted that this item had been reviewed in detail at the Audit Committee meetings held earlier this morning and attended by all Board Members. At that meeting, the Committees had received a detailed and lengthy presentation from staff on the Agencies' activities during the last fiscal year

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND TOBACCO SETTLEMENT FINANCING CORPORATION APPROVING AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2019

The next item on the Agenda was a resolution approving the extension of the Agencies' Lease at 345 Park Avenue. Ms. Nebiolo summarized the item, noting that there was a need to continue the lease to permit the ongoing scanning work of Agency documents to be completed.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY
AND STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE
ENTERING INTO AN AMENDMENT TO LEASE AGREEMENT WITH FIRST
LEXINGTON CORPORATION**

The next item on the Agenda was a resolution approving the Annual Investment Report and Quarterly Investment Report.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY,
STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE
AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK
MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT
FINANCING CORPORATION APPROVING ANNUAL REPORTS ON
INVESTMENTS AND QUARTERLY REPORT ON INVESTMENTS**

The next item on the Agenda was a resolution approving the Agencies' Annual Procurement Report for fiscal year 2018-2019 and review of the Agencies' 4th Quarterly Procurement Report.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY,
STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE
AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK
MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT
FINANCING CORPORATION APPROVING THE ANNUAL PROCUREMENT
REPORT**

The next item on the Agenda was a resolution approving the Agencies' Public Authorities Reporting Information System (PARIS) Filing Report.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND THE TOBACCO SETTLEMENT FINANCING CORPORATION ACCEPTING A FILING UNDER THE PUBLIC AUTHORITIES REPORTING INFORMATION SYSTEM

The next item on the Agenda was a resolution approving the Acquisition/Disposition and Inventory Guidelines and Reports.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY AND STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY CONCERNING THE PROPERTY DISPOSITION GUIDELINES AND THE INVENTORY AND PROPERTY DISPOSITION REPORT

The next item on the Agenda was the Budget and Financial Plan Results for FY ending 2019.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND THE TOBACCO SETTLEMENT FINANCING CORPORATION APPROVING BUDGET AND FINANCIAL PLAN RESULTS FOR FISCAL YEAR 2019

Chairman Adams noted that the next items on the Agenda are informational items, and that there would be no discussion on these items unless the Committee Directors/Members so requested.

The next item on the Agenda was a report on Agency Procurements in the Lobbying Restricted Period.

The next item on the Agenda was a review of the Mortgage Insurance Committee Activity Report for the period from December 1, 2019 through December 31, 2019.

The next item was a review of the Agencies' Processes for the preparation of Official Statements and for compliance with continuing disclosure responsibilities. Mr. Valella noted that at the Board meetings held on December 11, 2012, following up on discussion held at the Agencies' educational retreat earlier that year, staff provided to the Boards, as an information item, a brief summary of the processes used by the Agencies in the preparation of Official Statements as well as in complying with continuing disclosure obligations. Since that time, the Agencies have made some changes in this area, which have led to the prior procedures becoming outdated. For example, the Agencies have shifted the responsibility for the preparation of Official Statements in some of their programs to law firms engaged by the Agencies to act as "Disclosure Counsel". In the past, these responsibilities lay with underwriters' counsel or the Agencies' bond counsel. In addition, the Agencies have changed the way they comply with the continuing disclosure obligations, looking to make more use of outside vendors who specialize in facilitating timely compliance by the Agencies. Because of these changes, as well as other internal, more procedural, changes in the way the Agencies go about preparing their disclosure documents, staff has updated the prior procedures and is providing the Boards with a revised summary, reflecting the current practices. Mr. Valella then provided a summary of securities law responsibilities as they impact Board members and the preparation of Official Statements. He noted that Board members could fulfill their responsibilities by delegating to staff responsibility for preparing the Official Statements only if they were satisfied that the procedures in place were reasonably designed to ensure that the information included in those documents was accurate. With that in mind, he noted, the Board should review the attached materials which detail the procedures. Chairman Adams asked Mr. Valella to highlight the ways in which the current process differed from the process in place in 2012 when the procedures were last before the Boards. Mr. Valella provided the summary.

The next item on the Agenda was a resolution recommending and approving the adoption of Series Resolutions authorizing the issuance of bonds thereunder. Mr. McIntyre presented the item, and summarized for the Board that the Board was being asked to authorized the issuance of bonds up to the not to exceed amount in the Resolutions during the upcoming year. He noted that the purpose of receiving the broad authority at this point was to allow flexibility to staff to come to market in periods when the markets were most beneficial, without having to wait for the monthly board meeting process. Ms. Vullo noted that since she was a new member to the Board, she wanted to confirm that the broad approval requested was consistent with past Board


practice. Mr. McIntyre confirmed that this has been an annual request, and has been going on for the last 5 years.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY
ADOPTING SERIES RESOLUTIONS AND AUTHORIZING THE ISSUANCE OF
BONDS**

There being no unfinished business, Chairman Adams asked for a motion to adjourn the SONYMA Board meeting. Considering the first and second motions previously entered, the motions were carried and the meeting was adjourned.

Ms. Manley informed the Members that the next SONYMA Board meeting is scheduled for Thursday, February 13, 2020 at 9:00 a.m.



Linda S. Manley, Secretary