

**TRANSCRIPT OF THE SEPTEMBER 8, 2022 BOARD MEETINGS OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MORTGAGE AGENCY MORTGAGE INSURANCE COMMITTEE, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, THE TOBACCO SETTLEMENT CORPORATION AND THE NEW YORK STATE HOUSING FINANCE AGENCY FINANCE AND PROGRAM COMMITTEE.**

Alejandro J. Valella, Vice President and Deputy Counsel to the Agencies, stated that he will now open the September 8, 2022 meetings of the Boards of the New York State Housing Finance Agency, the State of New York Mortgage Agency, the Affordable Housing Corporation, the State of New York Mortgage Agency Mortgage Insurance Committee, the State of New York Municipal Bond Bank Agency, the Tobacco Settlement Financing Corporation and noted that the Governor's Executive Order in response to the continuing impact of COVID-19 has extended the exemption to the Open Meetings law that provides that public bodies may meet to take actions without permitting in public in-person access to such meetings and authorizes meetings to be held remotely by conference call, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed. As a result, today's Board meetings are being held via conference call instead of a public meeting open for the public to attend in person and certain Board members and staff are present at the Agencies' offices at 641 Lexington Avenue in New York City. But a call-in number has been made public, so that any interested members of the public can listen to the proceedings. A public notice of the meeting has also been posted.

Mr. Valella noted that Chairman Adams, SONYMA Board member Dave Kapell and HFA/HTFC Member James McIntyre were attending the meeting in person at 641 Lexington Avenue.

Mr. Valella asked for a motion to call the meeting of the HFA/HTFC and AHC Boards to order. Chairman Adams made the motion and Mr. Curtis seconded. Mr. Olczak voted aye; Ms. Visnauskas voted aye; Ms. Gonzalez voted aye; Ms. Miller voted aye; Mr. McIntyre voted aye. Mr. Valella noted the presence of a quorum for HFA/HTFC and AHC.

Mr. Valella asked for a motion to call the meeting of the SONYMA Board to order. Chairman Adams made the motion and Ms. Gonzalez seconded. Ms. Visnauskas voted aye; Mr. Kapell voted aye; Mr. Freeman voted aye; Mr. Ballan voted aye; Mr. Olczak voted aye; and Ms. Miller voted aye. Mr. Valella noted the presence of a quorum for SONYMA.

Mr. Valella asked for a motion to call the meeting of the SONYMA Mortgage Insurance Committee to order. Chairman Adams made the motion and Mr. Kapell seconded the motion. Mr. Olczak voted aye; Ms. Visnauskas voted aye; Mr. Ballan voted aye; Ms. Miller voted aye. Mr. Valella noted the presence of a quorum for the MIF.

Mr. Valella asked for a motion to call the meeting of the MBBA and TSFC Boards to order. Chairman Adams made the motion and Ms. Baldwin seconded the motion. Mr. SanFilippo voted

aye; Ms. Miller voted aye; and Mr. Olczak voted aye. Mr. Valella noted the presence of a quorum for MBBA and TSFC.

Mr. Valella that unless Board members wished to vote differently, these votes would be used in the meetings as items came up for vote.

Ms. Visnauskas then made her monthly President's report.

Ms. Visnauskas noted that in May 2022 the Agencies issued a Notice of Funding Availability to select a program administrator for a new program called the Climate Friendly Homes Program. Ms. Visnauskas reminded the Boards that the Agencies received \$250 Million in last year's State budget to fund 10,000 units of multifamily rental housing over the next 5 years to convert them to electric heating and cooling or to get as close to that as possible. This is part of the State's Climate Leadership and Community Protection Act.

Ms. Visnauskas noted that initially the Agencies are going to prioritize funding for properties that are 50 units or less that are currently either subject to a Regulatory Agreement or are located in low-income areas. As the program progresses, those criteria may be changed to make more buildings eligible. Ms. Visnauskas stated that Samantha Pearce, who the Boards have heard from before, and who is the Vice President of Sustainability is going to provide a breakdown later on in the agenda of how the program is going to run. She reiterated that staff was very excited to move on this important initiative.

Ms. Visnauskas then provided a quick summary of the almost two dozen housing announcements that were made over the summer, noting that it is wonderful to be able to attend ribbon cuttings and groundbreakings in the communities served by our Agencies and actually see the brick-and-mortar realities of the buildings becoming ready for occupancy. She encouraged the Board to review the Agencies' newsletter for a lot of these details. She also noted the existence of a YouTube where the Agency has been posting videos from some of the events we've been to and where you can actually see inside some of our properties.

On that same theme, Ms. Visnauskas noted that staff will be bringing seven ( 7 ) projects before the HTFC Board that were selected through our 9%, low-income housing, tax credit RFP, noting that these projects represent \$30 Million in investments and create over 400 units of housing. Ms. Visnauskas also noted that staff will be asking Board approval to award our 5th Legacy Cities award. She reminded the Board that HTFC launched Legacy Cities as a way to assist land banks who are holding on to a number of distressed properties in upstate cities, with the goal of getting those properties back into use. In that regard, HTFC will be seeking approval for an award to the Capital Region Land Bank to develop nine (9) 1-2- and 3 family homes in the City of Amsterdam.

Ms. Visnauskas closed her report by briefing the HTFC Board on a HUD issue of crucial importance to that Agency. This has been an issue that HTFC has been monitoring for some time as it has a potentially large impact on the Agency.

HTFC operates under a contract with HUD called the Performance Based Rental Assistance Program for the project based rental assistance portfolio across the state. The project based rental assistance program services about 16,000 units across the country. It provides approximately 2 million persons with housing. HTFC serves about 100,000 households across New York state with that contract. HTFC works with a series of administrators to manage these contracts.

HTFC participates due to its status as a public housing authority. HUD is now looking to expand eligibility for program administration by changing the criteria for selection so that private companies can come in and operate those contracts. This new approach was launched a couple of years ago and was unsuccessful for a number of technical reasons. HUD decided to retool it and they are now out with a new RFP that essentially abandons the long standing and successful partnership between HUD and the public housing authorities. Ms. Visnauskas stated the current structure of the solicitation will minimize the role of public housing authorities, which is something she considers unfortunate, as it loses a lot of the expertise and the partnerships with the residents and the communities.

HTFC is strongly recommending to HUD to reconsider its approach in this draft solicitation. HTFC sent a letter to the Secretary of HUD asking her to reconsider their approach, and they made a change in a comment period and extended it by 30 days, to give more time to have respondents go through what is a quite dense RFP. We are hoping that this time will both allow us and other state housing agencies to continue to be vocal about urging HUD to keep these project-based rental systems contracts with housing authorities and not try to privatize in an effort to reduce costs in a way that we think will be to the detriment of both the buildings and the residents. Ms. Visnauskas stated that as this matter progresses, staff will keep the Board apprised of developments.

Chairman Adams thanked Ms. Visnauskas for her detailed report.

He paused to take up a matter he had addressed at the beginning of the day's meetings, during the Audit Committee meetings. It concerned the retirement from the SONYMA Board of Board member Elaine Gross, from Long Island. He noted that Ms. Gross had retired and moved out of State, thus having to resign from her position on the SONYMA Board.

Chairman Adams pointed out the importance of Elaine's advocacy over the last several years around the rigorous enforcement of and being mindful about doing everything we can to advance fair housing in the State. He noted that Elaine was a tireless advocate for fair housing and that the Agency will miss that advocacy.

Mr. Adams then once again welcomed EJ Freeman to the SONYMA Board to replace Elaine.

Chairman Adams then proceeded to present the first item as **the approval of the transcript of the HFA, SONYMA and AHC meeting held on July 14, 2022.**

**Chairman Adams moved to item 2 on the agenda, a resolution approving the Administrative Budget Request and Financial Plans for FY 2023.** There was no discussion on this item, as it was discussed in detail at the Audit Committee meeting.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the HFA Members, for the SONYMA Directors, for the AHC Members and for the MBBA and TSFC directors, Mr. Valella asked all Board members voting to approve to signify by saying aye. The motion was carried, and the resolution was adopted.

Chairman Adams noted that the next seven (7) items are all information items. There will be no discussions on the next four items on the agenda unless Board Members/Directors so request.

**ITEM 3.** Current Agency procurements in the Lobbying Law Restricted Period

**ITEM 4.** Review of Third Quarterly Procurement Report for the period ending July 31, 2022.

**ITEM 5.** Quarterly Investment Reports for the period ending April 30, 2022.

**ITEM 6.** Financial Statement Update 2<sup>nd</sup> Quarter Fiscal 2022 and 1<sup>st</sup> Quarter Fiscal 2023 (AHC).

**ITEM 7.** Budget and Financial Plan for the second quarter of Fiscal 2022 and the first quarter of fiscal 2023 for AHC.

**ITEM 8.** Review of independent audit contracts with Ernst & Young LLP.

**ITEM 9.** MIF Activity Report for August 2022.

Chairman Adams noted that there being no further items for MBBA and TSFC Boards, and asked Mr. Valella to ask for motions to adjourn the MBBA and TSFC meetings. Mr. Valella noted that assuming the first and second previously entered for the MBBA and TSFC Boards, all in favor of adjourning please signify by saying Aye. The motions were carried and the meetings adjourned.

Chairman Adams then moved to the item requiring SONYMA Mortgage Insurance Committee action, **ITEM 10: Resolution approving 100% mortgage insurance on a \$3,256,990 permanent first mortgage loan originated by CPC for 329-245 50<sup>th</sup> Street, Brooklyn, Kings County.**

Mr. Friedman presented the item.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage

Insurance Committee, Mr. Valella asked all Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution was adopted.

Chairman Adams then moved to the item requiring SONYMA Mortgage Insurance Committee action, **ITEM 11: Resolution of the SONYMA Mortgage Insurance Committee approving a \$1,550,000 increase on a \$3,150,000 CPC permanent first mortgage loan to an aggregate amount of \$4,700,000 for the 122 and 130 Remsen Street project in Albany, Albany County.**

Mr. Friedman presented the item.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee, Mr. Valella asked all Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution was adopted.

Chairman Adams then moved to the item requiring SONYMA Mortgage Insurance Committee action, **ITEM 12: Resolution of the SONYMA Mortgage Insurance Committee approving a \$750,000 increase on a \$2,600,000 CPC permanent first mortgage loan to an aggregate amount of \$3,350,000 for the 163-167 Broadway and 64 Nash Street project in Buffalo, Erie County.**

Mr. Friedman presented the item.

Mr. Kapell asked whether the increased costs pushed against the limits of affordability. Mr. Friedman answered in the affirmative but noted that the impact was of a modest nature. the developer can reconfigure unit size and do some things to get bigger rents and so there's, there's some changes. In this case, the projected rents have increased from 70% of to 90%, but it is still very affordable. Mr. Kapell noted the 15-year term of the loan.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee, Mr. Valella asked all Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution was adopted.

**Chairman Adams noted that the next item, Item 13 involved action by the SONYMA Mortgage Insurance Committee the HFA Finance and Program Committee and the HFA Members:**

**(a)** Resolution of the State of New York Mortgage Insurance Committee approving 100% mortgage insurance on a \$5,860,000 HFA permanent first mortgage loan for Bedford Green House Phase II, Bronx, Bronx County.

**(b)** Resolutions of the Finance and Program Committee and of the Members of the New York State Housing Finance Agency recommending and authorizing, respectively, the issuance of an amount not to exceed \$38,565,000 in fixed rate tax-exempt before taxable bonds and authorizing an HFA subsidy loan in the amount not to exceed

\$9,735,913 for Bedford Green House Phase II, Bronx, Bronx County.

Mr. Friedman presented on behalf of the SONYMA Mortgage Insurance Committee and Ms. Behrens presented on behalf of HFA.

Mr. Freeman asked whether the clinic was for medical or for mental health services. He also asked about the types of supportive services or agencies that would be located on site.

Ms. Behrens answered that this clinic will be able to offer both medical and mental health services and will be available to those who qualify, those who are residents of the building, and also to community members. She added that in addition there is a contract which provides onsite supportive services for those with disabilities.

Ms. Visnauskas summarized the Empire State Housing Initiative or ESHI component, which is an overall umbrella term for a series of both rent and support services dollars that are awarded to nonprofits around the state to provide supportive housing services. She noted that a number of projects that come through the board have contracts that support this overall supportive housing.

Ms. Behrens then answered the second question posed by Mr. Freeman, concerning accessibility of services. She noted that the project is located next to the Jerome Avenue rezoning area, a major thoroughfare in the Bronx. It is accessible by multiple bus and train routes and has access to multiple community service facilities.

Mr. Freeman asked whether the project supports individuals or families. Ms. Behrens responded that there will be a handful of families but that the project supports primarily single person households.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee, Mr. Valella asked all Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the HFA Finance and Program and for HFA, Mr. Valella asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

Chairman Adams noted that the next item, **Item 14**, required action by the Mortgage Insurance Committee, and SONYMA as well as the HFA Finance and Program Committee and HFA.

(a) Resolutions of the State of New York Mortgage Insurance Committee and of the State of New York Mortgage Agency recommending and

approving 100% mortgage insurance on a \$7,650,000 HFA permanent first mortgage loan for the Shepherd Glenmore Project, Brooklyn, Kings County.

(b) Resolutions of the Finance and Program Committee and of the Members of the New York State Housing Finance Agency recommending and authorizing, respectively, the issuance of an amount not to exceed \$33,715,000 in fixed rate tax-exempt or taxable bonds, and a subsidy loan in an amount not to exceed \$10,468,951, and a Federal Housing Trust Fund program loan in an amount not to exceed \$3,392,187 for the Shepherd Glenmore Project, Brooklyn, Kings County.

Mr. Friedman presented on behalf of the SONYMA Mortgage Insurance Committee and Ms. Behrens presented on behalf of HFA.

Ms. Miller had a number of questions on this project. She asked if this project featured rooftop solar and asked about other energy efficient components. She asked Ms. Behrens to highlight the sustainability features of this and the prior project. Ms. Behrens started with Shepard Glenmore. On that project the Agency is striving to meet energy multi-family, new construction certification by having hyper efficient central boilers located on the roof. Other features include heating provided through hot water coil, which is pumped through each room's hydraulic PTAC unit. She noted that, while this is not a 100% electric project--a figure the Agencies are striving to reach with all of our projects-- this project is incorporating as many high efficiency, electric components as possible. that are out there on the market right now.

Ms. Miller asked if that meant that the appliances are in accordance with New York City Council resolutions. Ms. Behrens responded that she was not completely familiar with those resolutions but added that that they are reaching the multifamily Energy Star certifications.

Ms. Miller wanted to know more about the energy efficient features in the Bronx building discussed earlier in the agenda, because they seem quite expensive. Ms. Behrens noted that that project in the Bronx will reach EPA Energy Star status. The design standards qualify for the mandatory green and energy conservation certificates. She noted some key features: High performance building envelope; energy efficient windows; energy star appliances; energy star lighting with automatic sensors; low flow toilet fixtures.

Ms. Miller asked Ms. Visnauskas, since this building is such a great example of energy efficiency and the different ways that it can be approached, if we have some way of encouraging other developments to use some of these measures.

Ms. Visnauskas noted that the Agencies recently relaunched our sustainability guidelines just to raise the bar for all of our new construction, as you can see, and to make sure the buildings have all electric, heating and cooling and some of the Energy Star appliances. She noted that the Agency has come out with revised Sustainability guidelines and that she would be happy to provide more detail to the Board on those at a future time.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee, Mr. Valella asked all Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for SONYMA, Mr. Valella asked all Board members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the HFA Finance and Program and for HFA, Mr. Valella asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

Chairman Adams noted that the next item, **Item 15**, required action by the Mortgage Insurance Committee and the SONYMA Board as well as the HFA Finance and Program Committee and HFA and the HTFC Members.

(a) Resolutions of the State of New York Mortgage Insurance Committee and of the State of New York Mortgage Agency recommending and approving 100% mortgage insurance on a \$17,875,000 HFA permanent first mortgage loan for Tait Lane Reserve, Saratoga Springs, Saratoga County.

(b) Resolutions of the Finance and Program Committee and of the Members of the New York State Housing Finance Agency recommending and authorizing, respectively, the issuance of an amount not to exceed \$41,885,000 in fixed rate tax-exempt or taxable bonds, and a subsidy loan in an amount not to exceed \$19,190,000 for Tait Lane Reserve, Saratoga Springs, Saratoga County.

(c) Resolution of the Housing Trust Fund Corporation authorizing an award of \$4,000,000 under the Homes for Working Families Program.

Mr. Friedman presented on behalf of the SONYMA Mortgage Insurance Committee and Ms. Behrens presented on behalf of HFA and HTFC.

Chairman Adams noted that this is a great example of a community supporting affordable housing in its midst—particularly a fairly affluent community such as Saratoga Springs.

He noted that this project is producing over 200 units of affordable housing and supportive housing and marveled at the community acceptance. Ms. Behrens noted that for whatever reason there was a substantial pipeline of similar projects in this area and in other similar areas. Chairman Adams noted this with satisfaction.

Mr. Freeman asked where he would be able to find any land use plans, city, planning models, or impact studies regarding these projects. Ms. Behrens agreed to provide him with the information.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee, Mr. Valella asked all Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for SONYMA, Mr. Valella asked all Board members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the HFA Finance and Program and for HFA and for HTFC, Mr. Valella asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

Chairman Adams noted that there being no further business for the SONYMA Board, Mr. Valella will now ask for motions and seconds to adjourn the SONYMA meeting. Mr. Valella noted that assuming the first and second previously entered for the SONYMA, all in favor of adjourning please signify by saying Aye. The motions were carried and the meetings adjourned.

**Chairman Adams continued with HFA and HFA Finance and Program Committee:**

**ITEM 16:** Resolutions of HFA Finance and Program Committee and of HFA recommending and authorizing the issuance of tax-exempt bonds in an amount not to exceed \$28,450,000 maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, an estimated \$12,638,860 in HFA subsidy funds for Stuyvesant Apartments/Kingston PHA, City of Kingston, Ulster County.

Mr. Hubley presented.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the HFA Finance and Program and for HFA, Mr. Valella asked all HFA members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

**Chairman Adams noted that the next item required HFA Finance and Program Committee, HFA and HTFC action:**

**ITEM 17:** (a) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$35,090,000 maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, an estimated \$15,559,276 in HFA subsidy funds for Taylor I Apartments, City of Troy, Rensselaer County.

(b) Resolution of the Housing Trust Fund Corporation authorizing an award of \$4,000,000 under the Homes for Working Families Program.

Mr. Hubley presented the item.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the HFA Finance and Program and for HFA and for HTFC, Mr. Valella asked all HFA and HTFC members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

Chairman Adams noted that the next item requires HFA Member action.

**ITEM 18:** Resolutions Authorizing Increase to Infrastructure Improvement Grant in the Amount of \$850,000 for New Beginnings Mobile Home Park, Beekmantown, Clinton County

Mr. Blackman presented.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for HFA, Mr. Valella asked all HFA members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Chairman Adams noted that the next item was a new item on the agenda and had been mailed to the HFA and HTFC Members by separate cover, and posted on the Agency's website:

New Item: **APPOINTMENT OF SENIOR VICE PRESIDENT FOR STATEWIDE ASSET MANAGEMENT.**

Ms. Visnauskas presented the item, summarizing for the Board the key role that Mr. Pearson has played at the Agencies during his time here, with particular emphasis on his asset management experience. She recommended his appointment, without reservation.

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for HFA and HTFC, Mr. Valella asked all HFA and HTFC members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Chairman Adams noted that the next item on the Agenda, Item 19, was the AHC consent item:

Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for AHC, Mr. Valella asked all AHC members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Chairman Adams then noted that the last item was Item 20, an information item on the AHC City of Buffalo Emergency Grant program.

Mr. Martello provided the presentation. He noted that at this July's meeting AHC received authorization to approve awards between board meetings using \$10 Million of the East side Buffalo Emergency home improvement program. He noted that since the AHC had selected 5 groups and has made awards totaling \$9,500,000. He proceeded to detail the groups that received the awards and the respective amounts.

Chairman Adams asked Mr. Valella to adjourn the HFA and AHC meetings.

Mr. Valella noted that assuming the first and second previously entered for the HFA and AHC, all in favor of adjourning please signify by saying Aye. The motions were carried and the meetings adjourned.