

## **2017 LIST OF MEASUREMENTS FOR THE NEW YORK STATE HOUSING FINANCE AGENCY**

HFA's performance can be measured by the following criteria, subject to market conditions and demand for our products in any calendar year:

### **1. Number of low to moderate income units financed:**

HFA bonds financed a total of 39 projects with 6,196 total units and 5,436 affordable units. This included 2,742 affordable new construction or adaptive reuse units and 2,694 affordable preservation units. In addition, HFA preserved 1,765 units in two projects by providing subsidy funds to address capital needs that did not otherwise warrant a more comprehensive refinancing.

### **2. Regional representation of projects financed—this would include the number of cities, counties and the distribution between upstate and downstate:**

Of the 5,436 HFA bond-financed affordable units,

- 1,882 (35%) were located in New York City,
- 1,136 (21%) were located in Westchester and Long Island, and
- 2,418 (44%) were located in the remainder of New York State.

The 39 HFA Bond projects were located in 21 different counties and 23 different cities in New York State.

### **3. Productive or creative use of financing mechanisms that provide the most efficient capital market executions:**

HFA continued to increase its programmatic reach with a number of new programs and expansion of existing ones. Under the Housing Plan, we continued the following initiatives that were introduced in recent years:

- Supportive Housing Opportunity Program, New Construction Program, Multifamily Preservation Program, Middle Income Housing Program, Public Housing Preservation Program, and the Mitchell-Lama Loan Program.

In addition, HFA launched two new programs: the Senior Housing Program to provide housing for those 62 and above that includes healthy aging programming, and the Federal Housing Trust Fund which supports the creation of units for households up to 30% of area median income.

#### **4. Evidence of advancement of Fair Housing goals:**

##### **Expanding Access to High Opportunity Areas**

In 2017, FEHO worked across HCR to expand two key initiatives that promote access to opportunity for families in New York. Moving low-income families to opportunity areas is an effective way to end the intergenerational cycle of poverty. Specifically, social science studies show that children under the age of 13 who moved from high poverty to low poverty neighborhoods were more likely to attend college, had better health outcomes and earned more money as adults.

##### **A. LIHTC Set-Aside for High Opportunity Area Projects**

In the 2017 Multifamily Programs Unified Funding RFP, FEHO collaborated with Policy and Strategic Planning and F&D to launch a new LIHTC set-aside for “Housing Opportunity Projects.” Up to \$5 million in 9% tax credits are available for family projects located in a census tract with less than 10% poverty and served by a “high- or moderate-proficiency school,” based upon New York State Department of Education data. To reduce a potential barrier to developer participation in this new initiative, HCR included within the Unified Funding RFP the list of 2,062 census tracts eligible for “High Opportunity Area Projects.”

##### **B. Mobility Counseling**

HCR’s mobility counseling program assists low-income families with Section 8 Housing Choice Vouchers secure affordable housing in low-poverty areas of Westchester County that are served by high performing schools. Throughout 2017 HCR transitioned its housing mobility counseling program administrator to a new service provider and began to expand the program.

##### **Educating Tenants, Housing Providers, and HCR Staff About Fair Housing Rights**

FEHO conducted five fair housing trainings and presented at two conference panels across New York in 2017. Staff conducted external fair housing trainings at the annual meeting of the Neighborhood Preservation Housing Coalition, as well as on-site for one of the coalition’s non-profit members. FEHO staff also conducted fair housing informational sessions at the 2017 NYSAFAH downstate conference and the NYS Division of Human Rights Fair Housing Month Event. Additionally, in 2018, FEHO intends to offer several fair housing training sessions to developers across New York State. This training session will be similar to sessions offered in Albany, Buffalo, New York City and Syracuse in 2016; going forward, it is intended that such external training will be offered biannually. The 2016 presentation is currently available on the FEHO website.

FEHO staff also provided three internal fair housing trainings for HCR staff working in Finance and Development (F&D) and the Asset Management Unit (AMU), in addition to

a comprehensive four-hour fair housing Continuing Legal Education session for HCR and DHR attorneys and program staff members. It is anticipated that beginning in 2018, an abbreviated fair housing training will be offered quarterly for HCR staff members. As always, FEHO will continue to work with program staff to identify and implement ad hoc fair housing trainings above and beyond the quarterly trainings, as deemed necessary.

Finally, April 2018 will mark the 50<sup>th</sup> Anniversary of the Fair Housing Act. In conjunction with DHR, HCR will host a celebration event that is scheduled for either April 24<sup>th</sup> or April 26<sup>th</sup> 2018. Event space has been secured at the National Museum of the American Indian. HCR and DHR are currently working to finalize the list of presenters and award recipients for this special event

### **Protecting Foreign-Born Tenants**

In 2017, Governor Cuomo directed HCR, in conjunction with the Division of Human Rights (DHR) and the Office for New Americans (ONA), to conduct a comprehensive statewide initiative designed to educate and protect the rights of foreign-born tenants. DHR and HCR have worked to investigate landlord policies and practices that discriminate against individuals based on their immigration status, national origin, ethnicity or race. Additionally, DHR, HCR and ONA have conducted several outreach and education events designed to inform immigration advocacy groups and their constituents of the rights of tenants. Two of these sessions were conducted in conjunction with local elected officials. In September 2017, HCR, DHR and ONA held a Know Your Rights event in conjunction with the office of the Manhattan Borough President. In November 2017, a similar event was held in conjunction with the office of the Queens Borough President. Additional events were held in September 2017 and November 2017 to train ONA staff statewide and ONA Staten Island Opportunity Center constituents respectively. On January 22<sup>nd</sup>, 2018, HCR, DHR and ONA will host a session in Bay Ridge with the Arab-American Association of New York.

In addition to these educational events, FEHO has produced several Know Your Rights documents that are available on the HCR website, translated into the six most common languages. Among these documents are a one-page fact sheet for immigrant tenants, an FAQ and an ORA fact sheet for building owners. Additionally, FEHO contributed to the New York State Immigrant Resource Guide, which outlines programs and initiatives designed to support immigrants and their families. Further, in conjunction with ORA, FEHO is conducting a review of the rent stabilized renewal lease form and lease rider to identify and implement changes to those forms designed to protect the rights of immigrant tenants.

### **Helping Individuals With Criminal Justice Involvement Access Affordable Housing**

Securing housing for formerly incarcerated people is vital to reducing recidivism. Yet despite this, accessing affordable housing is a critical issue that formerly incarcerated people still struggle with. To address this, FEHO worked with Governor Cuomo's New

York State Council on Community Re-Entry and Reintegration to implement fair housing guidance on the use of criminal records when making tenant eligibility determinations. This new policy mandates that housing providers individually assess applicants to state-funded housing who have criminal convictions. Prior to this policy, housing providers were able to automatically deny applicants with criminal convictions, without regard to the age or nature of the offense, or subsequent evidence of rehabilitation. FEHO staff have led training sessions and provide ongoing technical assistance in applying this antidiscrimination policy. A webinar and individual assessment resources are available on the FEHO webpage, along with a Know Your Rights document targeted at applicants with criminal convictions.

Working with AMU staff, FEHO has been able to intervene in several cases in which individual applicants have been improperly denied access to housing on the basis of past criminal convictions. In several of these instances, FEHO has ensured that these applicants were housed, or reinstated on housing waitlists.

### **Working With Housing Advocates to Affirmatively Further Fair Housing**

In 2017, FEHO conducted three regional fair housing roundtables in Albany, Buffalo, and New York City. These sessions were designed to provide a forum for FEHO and HCR staff to meet with regional advocates and other members of the affordable housing and fair housing communities in order to identify problematic fair housing trends and address concerns. Statewide, two consistent themes were raised, the first pertaining to discrimination and harassment faced by immigrant tenants, and the second pertaining to discrimination based on lawful source of income. These conversations have informed the material contained in the immigration outreach and immigration events conducted by HCR in conjunction with DHR and ONA, as well as the urgency with which HCR has advocated for legislation prohibiting source of income discrimination.

### **Expanding Oversight of Affirmative Fair Housing Marketing**

In 2017, FEHO approved 113 Affirmative Fair Housing Marketing Plans for DHCR/HTFC and HFA multifamily projects. This includes 51 HFA Affirmative Fair Housing Marketing Plans in 2017 (including the first two weeks of 2018). Notably, January 2017 marked the expansion of FEHO's Affirmative Fair Housing Marketing Plan policy and review process to include the HFA portfolio.

Affirmative Fair Housing Marketing Plans memorialize the marketing strategies to be undertaken by developers/sponsors in order to attract prospective renters regardless of their protected status under fair housing laws and ensure compliance with fair housing requirements and best practices. As such, the fair housing marketing plan policy and procedures are revised as necessary to reflect changes in the law. For example, FEHO most recently update the marketing plan guidelines as to the requirements under the federal Violence Against Women Act ("VAWA") and HCR's policy for assessing applicants from individuals with criminal records.

Through its review of marketing plans, FEHO is also able to collaborate with the Finance & Development (F&D) unit to ensure projects' compliance with fair housing laws and best practices. For example, FEHO worked with F&D and the developer to mitigate fair housing concerns surrounding a proposed municipal workforce preference at Chappaqua Crossing, located in the Town of New Castle, Westchester County.

### **Increasing Access to Affordable Housing Developments**

#### **A. Fair Housing Compliance Monitoring**

In 2017, FEHO collaborated with AMU to implement a fair housing checklist that allows HCR to monitor fair housing compliance among HCR-funded projects post lease-up. The Checklist helps AMU review fair housing policies related to, among other things, reasonable accommodation policies, accessible and set-aside units, HCR's policy for assessing applicants with criminal convictions, and compliance with the Violence Against Women Act. Through this checklist, AMU works with FEHO to resolve any potential fair housing issues. To facilitate its implementation, FEHO has also provided several trainings for AMU staff to familiarize the team with FEHO's expectations regarding form completeness, incidents of non-compliance, and red-flag issues that may require immediate attention.

#### **B. Compliance with the Violence Against Women Act**

In 2017, FEHO also collaborated with AMU to issue a fair housing bulletin to HCR-funded multifamily projects to make housing providers aware of, among other things, the final HUD rule implementing the requirements of VAWA. FEHO developed model notification, certification and emergency transfer forms in accordance with the final rule, which can be found on the FEHO website. Additionally, FEHO has developed a VAWA Local Service Provider List, which contains contact information for non-profit service providers that work with survivors of domestic violence in each county of New York State. This resource list can also be found on the FEHO website, and HCR-funded housing providers are required to provide the list to tenants who request an emergency transfer. Additionally, to facilitate compliance with the VAWA requirements, FEHO has also scheduled internal and external trainings for January 2018 to educate HCR staff and supervised projects on the VAWA requirements.

### **Section 3 Match-up Sessions and Compliance**

The Section 3 program requires that recipients of certain HUD funding provide job training, employment, and contract opportunities to low- and very low-income residents in connection with projects and activities in their neighborhoods. In 2017, FEHO launched its first set of Section 3 Match-Up events. We hosted four successful sessions in the North Country Region, Mohawk Valley Region, Southern Tier Region, and the Finger Lakes Region. The events were designed to provide opportunities for HCR CDBG and HOME awardees and low-income Section 3 residents and Business Concerns to meet and discuss employment and training opportunities.

Staff conducted numerous Section 3 training and technical assistance webinars to assist CDBG/HOME awardees with meeting their hiring goals by helping them to develop best practices and procedures. The webinars provided clarity of Section 3 requirements, resulting in uniformity of all submitted reports. The webinars also assisted awardees experiencing difficulties in their attempts to identify low-income Section 3 Residents/Business Concerns.

Furthermore, staff presented a Section 3 Workshop at the Annual Rural Housing Coalition that focused on Section 3 requirements, compliance and best practices.

FEHO's Section 3 webpage was updated to include information on Creative Partnerships and a revised Policies and Procedures Manual.

This year's success is also evidenced by an increase of almost 200 Section 3 registered businesses on the HUD Business Registry.

### **5. Use of Green initiatives and issuance of Green Bonds:**

HCR has updated the green guidelines across the agency in response to the Governor's initiatives to reduce carbon emissions. Efforts have been made to coordinate the criteria for energy efficiency in affordable housing for different segments of multifamily resources. At HFA, new guidelines were issued in 2017 to promote the use of national standards for energy efficiency or NYSERDA programs in the construction or preservation of affordable housing projects and benchmarking of utility usage of projects once work is completed.

#### **HFA New Construction:**

The first use of Green Bonds certified by the Climate Bond Initiative (CBI) for housing finance was launched by New York State HFA in December of 2016. CBI is an international not-for-profit organization supporting financing for projects around the world that help reduce the impact of climate change. CBI provides oversight of their strict standards that engenders the confidence of investors in these Green Bonds.

In 2017 HFA issued Green Bonds for 15 projects, totaling \$345 million in bonds for the creation of 1,712 units. 72% of all new construction projects were designated as Green

Bonds, though all new construction projects met national standards of energy efficiency that will greatly reduce carbon emissions over the years of their HFA regulatory period.

Preservation:

HFA implemented new policies in June of 2017 for projects seeking to preserve affordable housing by requiring the reduction of energy consumption by 20% at a minimum in the rehabilitation process. The majority of the 23 preservation projects in 2017 incorporated energy efficiency as part of the upgrade of structures for extending the life of affordable housing and improving the living conditions for the residents.

Unified Funding:

Of the 37 new construction or rehabilitation projects awarded HCR financing under the 2016 Unified Funding Application Round, all proposed the utilization of a national energy efficiency standard or NYSERDA-recognized program. The more than 2,000 residential units which have or will be developed pursuant to this funding round are anticipated to function at level of energy savings that may have an impact in addressing climate change in New York State.

## **STATE OF NEW YORK MORTGAGE AGENCY**

### **LIST OF MEASUREMENTS FOR CALENDAR YEAR 2017**

#### **The number of mortgages purchased and the incomes served;**

For the calendar year of 2017, the State of New York Mortgage Agency achieved the following, in accordance with the measurements outlined in the mission statement for that year.

- 1) The Agency purchased 1,772 mortgages, serving the following incomes:

<b>Income Ranges</b>	<b>Distribution of Purchases</b>
>100% of AMI	26.8%
80.1% to 100% of AMI	26.1%
60.1% to 80% of AMI	28.3%
50.1% to 60% of AMI	11.2%
<=50% of AMI	7.6%

#### **The geographic diversity of mortgages purchased as well as number and geographic diversity of participating originators**

- 2) SONYMA participating lenders cover the entire state, and loans were purchased in accordance with the following geographic:

<b>Region</b>	<b>of Loans Purchased</b>
1 - Buffalo	11.23%
2 - Rochester	7.17%
3 - Syracuse	.68%
4 - Binghamton	3.27%
5 - Mid-Hudson	7.62%
6 - Capital	5.76%
7 - Mohawk Valley	.73%
8 - Downstate	9.76%
9 - Long Island	36.06%
10 - NY City	17.72%



## **The performance of the loan portfolio**

- 3) The loan portfolio performed with delinquencies as of November 30, 2017 at 3.16% of loans, which was significantly better than the state average of 6.33% and close to the national average of 3.38%.

## **Fiscal Health**

- 4) The state of the State of New York Mortgage Agency's fiscal health is set forth in attachment A.

## **Introduction of innovative programs and products that accomplish the foregoing**

a. **Focus on Low-Income Homebuyers:** During 2017, the Agency continued to direct its energies towards providing mortgage loans to those individuals and families for whom SONYMA mortgages make the difference in achieving sustainable homeownership. This was accomplished by continuing to focus mortgage financing activities on the Achieving the Dream Program, which assists lower-income homebuyers. In 2017, 1,149 of the Agency's mortgages were originated under this program, down slightly from 1,296 in 2016 and 991 in 2015. Overall, 835 of the mortgages purchased were made to low-income homebuyers (80% of area median income or less), down slightly from 1,022 in 2016 and 834 in 2015, and 578 loans SONYMA purchased statewide were made to minority households, up from 517 in 2016 and 367 in 2015.

b. **Promote and Extend the Reach of the SONYMA Mortgage Backed Securities Programs:** In order to fully participate in the MBS market, SONYMA is looking at options to purchase Conventional, FHA, VA and USDA products. This will enable the direct purchase of loans from lenders, improving loan pricing and execution. In 2017, SONYMA continued developing and began staffing to implement the requisite Quality Control plan, and revised that plan to incorporate new TILA-RESPA Integrated Disclosure (TRID) guidelines mandated by the CFPB. The Quality Control plan was fully implemented effective January 1, 2018. SONYMA also continued to promote and expand our MBS program offerings through our current delivery channel with M&T Bank.

- FHA Plus, initially offered in December 2013, takes advantage of a special exemption from HUD that enables state housing finance agencies to offer down payment assistance on FHA-insured mortgages, where the down payment assistance may be used towards the borrower's minimum cash investment. Further, FHA mortgages offer other underwriting advantages and have slightly more lenient credit standards than conventional loans. Under this program, 259 mortgages of \$68.2 million in total principal and \$2.1 million in Down Payment Assistance were originated in 2017. In addition, the Agency had 29 mortgages of

\$6.7 million in total principal and \$202,000 in Down Payment Assistance in its pipeline.

- Conventional Plus, initially offered in November 2012, complements SONYMA's existing tax-exempt bond financed programs and the FHA Plus Program described above. The product is designed to take advantage of certain pricing and underwriting benefits afforded to SONYMA by Fannie Mae. Among other benefits, Conventional Plus is available for home purchases and for limited cash-out refinances. Under Conventional Plus, 58 mortgages of \$6.2 million in total principal and \$29,000 in Down Payment Assistance were originated in 2017. In addition, the Agency had 6 mortgages of \$0.6 million in total principal and \$7,500 in Down Payment Assistance in its pipeline.

**c. Launch- SONYMA *Express*® Automated System to More Participating**

**Lenders:** The Agency has continued to enhance the SONYMA *Express*® automated system that was developed to assist participating lenders by providing expedited decisions on SONYMA loan eligibility. The system has: (a) streamlined the Agency's loan origination process and dramatically reduced the time it takes participating lenders to originate SONYMA loans; (b) eliminated uncertainty of a borrower's eligibility early in the mortgage application process; (c) lowered overall lender costs; and (d) provided lenders with the capacity to submit electronic loan files to the Agency, thus eliminating the need to submit paper files. Continued efforts to improve user experience through SONYMA *Express*®, led to active use among 11 lenders in 2017, representing about 63% of SONYMA volume. With an additional 11 lenders preparing to go live at various times in the first half of 2018, it is anticipated that approximately 75% of SONYMA volume will come through SONYMA *Express*®. In addition the Agency intends for 100% of loans to be electronically delivered through either SONYMA *Express*® or the SONYMA's new BlitzDocs File Delivery Portal, eliminating paper submissions in 2018.

**d. Continuing efforts to educate and train major stakeholders on key**

**SONYMA program details:** SONYMA has continued to offer bi-monthly webinars through SONYMA University, developing content on topics which reflect the feedback and educational needs of attendees and the SONYMA Advisory Council. Since launching the effort in 2014, more than 3,200 attendees from our lender, nonprofit and realtor partners have participated in web-based training on SONYMA programs. Additionally, SONYMA had a continuing education course accredited through the New York State Association of Realtors, and offered the course to approximately 500 realtors state-wide. SONYMA also offered three Regional Learning Days, with a half day training for lenders and nonprofits and afternoon with the realtors. These events were attended by approximately 350 partners.

**e. Work with the SONYMA Advisory Council in Gathering Insights and Recommendations on Future Direction:** Created in 2010, the Council helps SONYMA maximize its effectiveness while simultaneously providing a forum for knowledge-sharing and relationship building among different members of SONYMA's distribution and supply-networks. The Agency held two meetings with the Advisory Council in 2017, including a roundtable session with council-member guests and SONYMA staff members, as well as monthly subcommittee meetings.

**f. Continued Outreach Efforts to Industry Partners:** In 2017, SONYMA participated in 65 events across New York State with homeownership counseling organizations, realtors, lenders, not-for profits, veterans groups, community groups and others. The outreach efforts and collaboration in planning events have deepened the Agency's relationships with its partners in the housing community and provided additional opportunities to promote SONYMA products and services.

**g. Growing out the enhanced Remodel New York Program ("Remodel NY"):** As the existing housing stock continues to age, many homebuyers are faced with the need to complete renovations to properties they are purchasing. This can be burdensome to first-time homebuyers adjusting to homeownership, and can keep homebuyers from being able to purchase properties in need of significant repair. In order to address this increasing need, SONYMA made a number of enhancements to its Remodel NY program in 2015 and 2016. In 2016, the Agency hired a dedicated Renovation Loan Analyst to enable the quick and efficient review of Remodel NY loans submitted pre- and post-purchase. During 2017 SONYMA purchased approximately \$3.7mm in Remodel NY loans, with another \$2.4mm in the pipeline for purchase in early 2018 up from \$2.4mm purchased and \$1.5mm in pipeline at the end of 2016. The program continues to gain momentum and assist first time homebuyers purchasing homes in need of repair.

**h. Launching the Neighborhood Revitalization Program (NRP):** In June 2016, SONYMA announced a program that leverages \$22mm in Chase settlement dollars to aid in the purchase and renovation of vacant/abandoned homes in neighborhoods hard hit by the foreclosure crisis. In order to maximize the program's impact, the decision was made to limit the geographic scope to allow for enough transactions in selected communities to make an appreciable impact. After an initial launch in Kingston, Middletown, Troy, Rochester, certain parts of New York City and Long Island, the program's geographic scope was expanded in 2018. At the request of communities demonstrating NRP's strategic fit with existing local efforts to address vacant/abandoned homes, SONYMA now offers NRP in Buffalo, Rochester, Kingston, Orange County, Rensselaer County, Schenectady County, Long Island, and Bronx, Queens, and Richmond Counties in New York City. This new program is the result of collaboration between various divisions of the Agency, nonprofits based in the communities selected for this pilot program, local government,

realtors and SONYMA participating lenders. NRP enables borrowers to purchase a vacant home and receive downpayment assistance, a subsidized interest rate, and \$20,000 toward property repairs with the ability to finance any additional necessary repairs into the loan. Significant outreach has been undertaken to develop a template for success in each community and, during 2017, SONYMA funded 38 NRP properties, investing over \$8.7mm in the effort with another 34 (\$6.7mm) in its pipeline likely to fund in early 2018.

**i. Organizing the SONYMA Spruce Up Initiative:** SONYMA Spruce Up is an event in which SONYMA, local nonprofit partners, lenders, sponsors, contractors and neighborhood associations partner to do a one-day exterior clean-up of a targeted area. After a successful first event in the Sheridan Hollow neighborhood in Albany with the assistance of the Affordable Housing Partnership and the Sheridan Hollow Neighborhood Association in Fall 2015, SONYMA held 4 more events in 2017 throughout New York State. The volunteers completed exterior repairs, such as repair/painting of stoops, planting trees, and cleaning up sidewalks on over 130 homes, completed a total renovation of six local parks as well as the clean-up and painting of a playground, an outdoor classroom, several vacant lots and performed other neighborhood beautification tasks. Local lenders, community volunteers, school civics clubs, several local nonprofits, realtors and SONYMA's MI partners both sponsored and contributed 400 volunteers. There was local radio and media coverage across all the local networks.

**j. Buying nearly 400 delinquent mortgage notes through the Community Restoration Fund:** Legislation was passed in the summer of 2016 to create the SONYMA Community Restoration Fund (CRF). This fund was intended to be a vehicle through which SONYMA can, among other things, purchase delinquent notes from various sources in order to help borrowers modify their loans and remain in their homes. During 2017, the SONYMA CRF, in partnership with New Jersey Community Capital, a nonprofit organization specializing in this work, leveraged \$7.6 million in Morgan Stanley settlement dollars against \$76 million in private financing to purchase the mortgages for nearly 400 homes in a strategic effort to bring owners out of foreclosure and keep the homes from abandonment. The 398 homes in the CRF program are in 33 of the State's 62 counties, with the majority of the homes located on Long Island and in the Mid-Hudson Valley.

**5) SONYMA's accomplishments as they relate to MWBE goals:**

As stated above, 578 of the 1,772 loans SONYMA purchased in 2017 were made to minority households. SONYMA has continued to contract with MWBE vendors whenever possible for advertising, promotional materials and with our consultant, Doug Dylla.

**New York State Affordable Housing Corporation**

**LIST OF MEASUREMENTS FOR CALENDAR YEAR 2017**

1. **Number of Low to Moderate Income Units Financed:** 1,721
2. **Regional Representation of Projects Financed:**
  - a. In 2017, AHC awarded projects in all 10 geographic regions of New York State, covering 47 of the State's 62 counties.
  - b. Upstate/downstate distribution: approximately 18% of AHC's 2017 grants were awarded in projects located within New York City. 72% of AHC's grants were awarded throughout the rest of the state.

**AHC 2016 AWARD SUMMARY\***

<b>Region</b>	<b># Projects Awarded</b>	<b>Units Awarded</b>	<b>Counties Awarded</b>	<b>Amount Awarded</b>	<b>% of Total Allocation</b>
<i>Western NY (Region 1)</i>	9	218	4	\$5,240,500	11.72%
<i>Finger Lakes (Region 2)</i>	4	139	8	\$4,891,000	9.71%
<i>Central NY (Region 3)</i>	7	257	5	\$3,275,000	8.56%
<i>Southern Tier (Region 4)</i>	7	138	6	\$2,710,000	6.06%
<i>Mohawk Valley (Region 5)</i>	3	51	4	\$1,371,000	3.07%
<i>Capital (Region 6)</i>	8	177	5	\$3,030,000	6.78%
<i>North Country (Region 7)</i>	3	61	5	\$750,000	2.12%
<i>Mid-Hudson (Region 8)</i>	1	12	3	\$750,000	.045%
<i>Long Island (Region 9)</i>	2	100	2	\$2,560,000	5.73%
<i>New York City (Region 10)</i>	6	309	5	\$8,110,000	18.14%
<i>Statewide</i>	4	259		\$12,372,000	27.67%

**Totals:      54              1,721              47              \$    44,709,000              100%**

**\*The chart represents awards made in 2017. Please note: Depending on when the applications were received, the awards were made from current and previous fiscal year allocations and/or repayment funds.**

### **3. AHC's Fiscal Health:**

- a. AHC received a total allocation of \$26,000,000 in State funds for its Affordable Home Ownership Development Program for FY 2017-2018. As in previous years, that amount will be split evenly and set aside as follows; \$13,000,000 for New York City projects and \$13,000,000 for non-New York City projects.
- b. AHC released its Notice of Funding Availability in December of 2017. Applications are due no later than February 16, 2018. Based on last year's demand, AHC is anticipating 75-100 applications requesting more than \$40 million in AHC grant funds.

### **4. Introduction of Innovative Programs and Products:**

- a. As part of NYSHCR's Office of Community Renewal (OCR), AHC continues to operate in conjunction and cooperation with OCR's other programs that are geared toward community and economic development, job creation and downtown revitalization, including the NYS Community Development Block Grant Program (CDBG), NY Main Street Program (NYMS), Neighborhood Stabilization Program (NSP), and the Neighborhood and Rural Preservation programs (collectively, the "OCR programs").
- b. AHC began accepting awards on a rolling basis and modified its grant agreement structure to accommodate SONYMA Community Reinvestment Fund ("CRF") awards.
- c. AHC is managing the \$15 million Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program.

### **5. Accomplishments as they relate to M/WBE goals:**

- a. In 2017, AHC continued to emphasize the importance of timely and accurate submission of the required forms that comprise the Equal Employment Opportunity Agreement (EEO) and the Minority and Women-Owned Business Plan (M/WBE), in conjunction with the Office of Fair Housing and Equal Opportunity.
- b. Utilization of MWBEs by AHC awardees for 2017 was 49.34% as compared to 37.67% in 2016.

- c. AHC's overall M/WBE participation was 43.13% on total procurement of \$20,518 in Certified Public Accountant Audit contracts entered into during 2017.
- d. AHC has a fulltime member of its staff dedicated as the liaison to the Office of Economic Opportunity & Partnership Development.
- e. As a condition of funding, the Applicant is required to submit and have approved, prior to award by AHC through its Office of Economic Opportunity & Partnership Development ("OEOPD"), a Minority and Women-owned Business Utilization Plan.
- f. The Office of Economic Opportunity & Partnership Development maintains the distribution and receipt of all required compliance measures regarding the M/WBE plans, and measures the performance of AHC's grantees regarding M/WBE contractor goals.
- g. By withholding payment of requisitions to non-compliant grantees, there has been a significant increase in the number of grantees reporting per quarter.

## **STATE OF NEW YORK MORTGAGE AGENCY MORTGAGE INSURANCE FUND MEASUREMENTS**

For the year ending December 31, 2017, the Mortgage Insurance Fund achieved the following, in accordance with the measurements outlined in the mission statement for that year.

### **Number of loans, units and dollar amount of new commitments to insure both Single Family and Multifamily**

- 1) The MIF insured 133 SF loans with 156 units for a total of \$24,882,442 in loan amount. The MIF also issued new commitments to insure 83 Project loans with 6,099 affordable units for a total of \$469,642,172 in loan amount. This was a 7.4% decrease over the \$507,250,536 in loan amount in 2016. Included above, the MIF insured 33 of the 37 loans in HFA's Open Resolution in 2017. The Insurance Fund provided pool insurance for 1,772 loans purchased by SONYMA Single Family with a loan amount of \$352,048,428 and provided primary insurance for loans that were rejected by Genworth and other PMI companies generally due to low FICO scores.

### **The MIF's ratings and risk to capital ratios**

Moody's rating of the MIF's Project Pool Insurance Account and Single Family Insurance Account remained unchanged at Aa1 and Aa1 with a negative outlook, respectively. Fitch's rating of the Project Pool Insurance Account and Single Family Insurance Account remained unchanged at AA- and AA+, respectively. Fitch revised its Rating Outlook on the Project Pool Insurance Account to Stable from Negative. The ratings of the Project Insurance Account remained the same despite the release of \$155 million to HFA and HTFC.



	<u>As of 12/31/15</u>	<u>As of 12/31/16</u>	<u>As of 12/31/17</u>
<b><u>PIF</u></b>			
No. of loans	1,014	990	1,010
\$ Amount	\$3,013,510,749	\$3,230,421,240	\$3,459,219,390
Units	88,645	91,926	96,931

<b><u>Commitments</u></b>			
No. of loans	257	252	254
\$ Amount	\$1,429,507,028	\$1,554,583,352	\$1,649,560,579
Units	25,620	25,573	24,653

	<u>For the 12 months ended 12/31/15</u>	<u>For the 12 months ended 12/31/16</u>	<u>For the 12 months ended 12/31/17</u>
<b><u>New PIF</u></b>			
No. of loans	78	73	74
\$ Amount	\$398,027,938	\$360,100,716	\$352,785,905
Units	6,394	6,965	6,918

<b><u>New Commitments</u></b>			
No. of loans	131	76	83
\$ Amount	\$700,318,211	\$507,250,536	\$469,642,172
Units	13,061	7,241	6,099

**STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY/  
TOBACCO SETTLEMENT FINANCING CORPORATION**

**LIST OF MEASUREMENTS FOR CALENDAR YEAR 2017**

During calendar year 2017, MBBA and TSFC did not issue bonds.

MBBA continued to receive funds from Municipalities on behalf of which it has issued bonds in the past, and used those funds to pay debt service on the MBBA bonds and fund MBBA expenses all as set forth in its financial statements. MBBA took in \$74,542,000.00 in funds from Municipalities and used all of those funds to pay debt service on MBBA bonds and MBBA fees.

TSFC continued to receive funds under the Master Settlement Agreement. Those funds were used, plus funds in its Indenture and other funds received, to redeem the outstanding TSFC bonds. TSFC received \$329,564,650.79 in tobacco settlement payments, and certain additional payments related to investments and redeemed \$659,865,000 in TSFC bonds, the remaining outstanding amount. As of October 31, 2017, all outstanding bonds were redeemed.

**MWBE Performance Measurements**

**Office of Economic Development**

**Accomplishments:**

OEOPD continues to provide ongoing technical training to HCRs Finance and Development units on MWBE & SDVOB participation and compliance. OEOPD's mission is to: analyze the agencies expenditures; identify areas for MWBE opportunity; work with the various departments to create procurement strategies; identify the obstacles the agencies may face in achieving the overall goal. Lastly, OEOPD is responsible for monitoring and quarterly reporting to the Empire State Development Corporation and the Office of General Services as well as the Executive Chamber. To further assist in these efforts, enforcement mechanisms for non-compliance are outlined in each contract in the Minority and Women-Owned Business Enterprise Utilization Agreement, Appendix II, Section VII.

The OEOPD Director continues to participate as a member of all RFP/RFQ review committees to advocate for direct contracting or subcontracting opportunities for MWBE & SDVOB firms.

The Economic Opportunity Corner on the agency website, links to HCR's home page to help MWBE & SDVOB firms find opportunities within the Agencies. The Economic Opportunity Corner provides useful information and links to the ESD & OGS websites for certification information. There are links to procurement opportunities; and information

on approved projects so MWBE & SDVOB firms are able to market their services directly to developers and community groups. The site also has a listing of certified MWBEs who have been engaged on Agency projects. OEOPD continues to outreach to non-certified MWBE & SDVOB firms as identified during the review of utilization plans and quarterly reports, to encourage them to become certified.

OEOPD created a Good Faith Efforts (GFE) Committee. This committee reviews the efforts made by developers or grantees to meet their MWBE requirements. Upon review of the GFE package, a choice of the following recommendations can be made to the Agency's Finance and Development unit: (a) request a waiver from the Executive Chamber; (b) collect liquidated damages; and/or (c) bar the developer from doing business for one year. To date, the agency has collected liquidated damages, and is working on a technical assistance program to utilize these funds.

To effectively monitor the MWBE utilization, expenditures are divided into three categories: procurement, development and bond-related costs.

In Calendar Year 2017, the Agencies achievements were:

Total MWBE utilization: 36.61% Procurement – 35.69% Construction – 36.78% Bond Related – 22.48%

Total SDVOB utilization: 4.12%

In addition, this unit has assumed the responsibility of administering and monitoring the Labor Standards for all federally funded projects, specifically Davis Bacon and prevailing wage compliance.

## Attachment A

### New York State Housing Finance Agency Fiscal Health Review

(\$ in thousands)

(unaudited)

Fiscal Year Ended October 31,	2017	2016	2015
<b>Statement of Net Position</b>			
Mortgage Loans Receivable	15,713,873	14,134,407	12,464,031
Bonds Payable	16,780,581	15,448,200	13,753,259
Matured / Called / Redeemed	1,181,056	586,176	627,920
Issued	2,513,437	2,284,254	1,714,950
Net Position			
Unrestricted	244,122	189,591	169,756
Restricted	631,661	574,028	516,520
Total	875,783	763,619	686,276
Increase (decrease) in Net Position	112,164	77,343	87,058
Subsidy Loans Receivable	395,800	312,200	321,300
Other Post Employment Benefits Obligation (GASB 45)	48,407	47,112	45,859
<b>Income Statement</b>			
Total Operating Revenues	400,165	279,181	202,956
Fees, Charges and Other	77,368	66,696	58,341
Total Operating Expenses	389,842	249,193	161,478
Administrative Expenses			
Net Operating Income (Loss)	10,323	29,988	41,478
Interest on Loans	301,970	198,184	134,214
Interest Expense on Bonds	270,711	168,468	106,772
Coverage	111.55%	117.64%	125.70%
Affordable Housing Resolution:			
Assets	3,120,362	2,608,841	1,955,870
Liabilities	2,822,097	2,338,234	1,820,323
Asset to Liability Ratio	1.11	1.12	1.07
Affordable Housing Resolution - Non NIBP Portfolio:			

**New York State Housing Finance Agency**  
**Fiscal Health Review (continued)**

(\$ in thousands)

(unaudited)

<b>Fiscal Year Ended October 31,</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Affordable Housing Resolution - Non NIBP Portfolio:			
Weighted Average Mortgage Yield	4.79%	4.72%	4.98%
Weighted Average Bond Yield	3.81%	3.82%	4.09%
Spread	0.98%	0.90%	0.89%

**Statistical Information**

Working Capital			
Current Assets	2,686,530	3,026,088	2,614,936
Current Liabilities	1,130,718	807,846	656,077
<i>Working Capital</i>	1,555,812	2,218,242	1,958,859
<i>Current Ratios</i>	2.38	3.75	3.99

Debt Ratio			
Total Assets	18,219,446	16,785,748	14,878,279
Total Liabilities	17,362,735	16,051,748	14,220,539
<i>Asset to Liability Ratio</i>	1.05	1.05	1.05

SWAPS - Current Notional Amount	184,150	206,350
---------------------------------	---------	---------

Liquidity Exposure (as of October 31, 2017) <i>State Supported Debt</i>			
Letter of Credit Provider	Expiration Date	Amount	Fees
Bank of America, N.A.	1/12/2018	40,575	0.450%
Bank of America, N.A.	1/12/2018	40,575	0.450%
JP Morgan	9/6/2019	80,000	0.425%
Total		161,150	

# State of New York Mortgage Agency

## Fiscal Health Review

(\$ in thousands)

(unaudited)

Fiscal Year Ended October 31,		2017	2016	2015
<b>Statement of Net Position</b>				
Loans Receivable		2,794,636	2,710,011	2,644,084
Bonds Payable		2,552,343	2,524,109	2,611,563
	Matured / Called / Redeemed	307,889	371,233	520,062
	Issued	336,135	278,590	419,540
Net Position				
	Unrestricted	(24,389)	(22,760)	(19,407)
	Restricted	2,452,526	2,416,097	2,348,838
	Total	2,428,137	2,393,337	2,329,431
	Net Increase in Net Position	34,800	63,906	147,263
Other Post Employment Benefits Obligation (GASB 45)		51,906	49,145	46,591
<b>Income Statement</b>				
Total Operating Revenues		156,108	196,739	205,014
Total Operating Expenses		143,031	139,807	131,119
	Administrative Expenses	22,410	23,178	21,819
Net Operating Income		13,077	56,932	73,895
Interest on Loans		131,632	130,697	133,147
Interest Expense on Bonds		79,859	82,170	83,613
Coverage		164.83%	159.06%	159.24%
Gross Interest Earned on Mortgages		131,632	130,697	133,147
Average Monthly Mortgage Receivable		2,691,605	2,674,871	2,781,932
	Approximate Yield on Loan Portfolio	4.89%	4.89%	4.79%
Gross Interest Expense of Bonds		79,859	82,170	83,613
Average Monthly Bond Payable Balance		2,541,134	2,587,706	2,587,706
	Approximate Yield on Bond Portfolio	3.14%	3.18%	3.23%

**State of New York Mortgage Agency**  
**Fiscal Health Review (continued)**

(\$ in thousands)

(unaudited)

Fiscal Year Ended October 31,	2017	2016	2015
Difference between Mortgage Yield and Bond Yield (Spread)	1.75%	1.71%	1.55%
Mortgage Recording Surtax Receipts	160,510	180,831	190,115
MIF New Commitments	480,000	533,000	740,000

**Statistical Information**

Working Capital				
	Current Assets	1,076,539	1,001,107	1,170,505
	Current Liabilities	324,963	292,954	225,179
	<i>Working Capital</i>	751,576	708,153	945,326
	<i>Current Ratios</i>	3.31	3.42	5.20

Debt Ratio				
	Total Assets	5,218,964	5,163,113	5,108,882
	Total Liabilities	2,800,358	2,793,231	2,806,821
	<i>Asset to Liability Ratio</i>	1.86	1.85	1.82

Single Family Delinquencies by number loans outstanding (60 days or more, including loans in foreclosure)				
	SONYMA	3.19%	3.94%	4.54%
	New York State	6.33%	7.12%	7.90%
	National	3.38%	3.77%	4.46%

SWAPS - Current Notional Amount	228,000	322,000	420,000
Liquidity Exposure (as of October 31, 2017)			

Letter of Credit Provider	Expiration Date		Amount	Fees
Barclays	5/4/2021	*	20,620	0.450%
Barclays	5/4/2021		43,025	0.450%
JPMorgan	5/13/2019	*	2,600	0.525%
JPMorgan	5/13/2019		26,745	0.525%
JPMorgan	5/11/2018	*	92,015	0.48%
JPMorgan	5/11/2018		9,085	0.48%
Royal Bank of Canada	9/17/2019	*	26,745	0.53%

Royal Bank of Canada	9/17/2018		26,715	0.49%
Royal Bank of Canada	9/8/2022	*	31,135	0.46%
Wells Fargo, NA	8/27/2019	*	12,200	0.55%
Wells Fargo, NA	8/27/2019		122,430	0.55%
Totals			413,315	

\* *Unhedged*