

May 14, 2020 HTFC Board Meeting Transcript

An audio file of the meeting may be obtained upon request.

Ms. Linda Manley ("LM"): We now have quorum with Ms. Leicht ("HL") and Mr. Valella ("AV") present. (Chairperson Visnauaskas ("CV") previously introduced.) And as noted this meeting is being recorded due to the COVID emergency and the Governor's executive order providing that public bodies may meet to take actions and is authorized by law without meeting in public, with public in person access to such meeting.

In authorizing meetings held remotely by conference call, the public has been provided with the ability to listen to the proceeding and the meeting is being recorded and will later be transcribed as a result today's meeting is being held by a video, I'm sorry, is being held by conference call instead of public meeting, but the call in numbers have been made public so that any interested members of the public can listen to the proceedings.

Because of these special features, as we did at the April meeting, we'll be changing our voting procedures slightly, and I'll ask that each board member record his or her vote individually for the purposes of establishing quorum and on individual items.

May I please have a motion to call to order the May 14, 2020 meeting of the Housing Trust Fund Corporation?

00:02:14.550 --> 00:02:17.935

HL: So moved

CV: Second

LM: Mr. Valella, how would you record your vote?

AV: Yep.

LM: Thank you. The resolution is adopted we'll use the first and second throughout today's meeting, unless a board member, wishes to record his or her vote differently.

The first item for the board consideration is the approval of the minutes of the meeting held on April 9, 2020, if there are no questions or comments, the minutes will be deemed approved.

Okay, hearing none, we now move on to the second item with a resolution authorizing a contract extension with Community Preservation Corporation as administrator of the Small Project Affordable Rental Construction Program.

Mark Flescher ("MF"): We're asking for a one year extension of this contract for the SPARC program, a small program, a Small Project Rental Construction Program, a collaboration between and GOSR to use CDBG funds to subsidize the new construction of eight to twenty year projects in areas impacted by covered storms. The program and the contract, CPC, administrator was approved at the board's meeting in June of 2015 with a

three year contract. The board determined at that point that the use of HTFC staff was not efficient. There have been two one-year extensions, which the board was notified of. As per procurement guidelines the whole idea behind this program was to right-size projects to put small projects and communities that otherwise might not get affordable housing projects. Now, there's the long process where in conjunction with ... staff selected projects for development and five projects for eight units have gone to a construction closing with CPC as the construction lender. The ... loans are funded as supported loans with permanent funding with CPC first mortgages. Three projects have the forty-eight units, have the permanent financing and support loans. However, two projects, Candlewood I and II have not reached permanent financing, ... not to meet the conversion requirements for MIF insurance of the Agency.

00:05:03.625 --> 00:05:07.615

First mortgage of both projects now meet those requirements. Candlewood I would want to schedule to close next Thursday May 20th, Candlewood II will close soon after that, but logistically may not be able to close before the end of June. The three-year term and the two year extensions meet procurement guidelines, but any extension in excess of five years requires board approval if no competitive procurement process is done. Given the stage this project is in, we're working on closing on the last projects, it's just not efficient to do another competitive procurement process. We're therefore asking the board to approve a one-year extension of the CPC contractor administered project program.

HL: Alright, a quick question; are any of the other, as I recall, you guys had one or two other (CDFI's) that ran the program, or are those completed?

MF: We asked for one or more, but only CPC submitted a full applicant response to the statement.

00:06:22.795 --> 00:06:27.985

LM: Are there any other questions?

Now, before the HTFC board for approval is the resolution authorizing a contract extension between the preservation corporation as administrator for the Small Project Affordable Rental Construction Program. Assuming the first and second previously entered, we will now do a roll call vote. Chairperson Visnauskas?

CV: Aye

Ms. Leicht?

HL: Aye

Mr. Valella:

AV: Aye

00:06:57.595 --> 00:07:11.485

LM: Moved and the resolution is adopted.

Next for your consideration as a resolution

Nicole Ferreira: This is sorry, this is Nicole. Can I just pause for a second before Mark drops off? I want to thank Mark for his service to the agency. I think he'll be retiring before we go back to the office and this is his last board meeting Mark.

[Other remarks given but not transcribed.]

LM: Alright so, next for consideration is a resolution for the documentation and classification of Liberty Square. Heather?

00:10:20.634 --> 00:10:31.644

Heather Spitzberg: Good afternoon this afternoon I'm presenting to you a recommendation that a project be classified as a type one action and a negative declaration be issued. This is for the new construction of a four-story building for families with fifty five units, at 552 Main Street in the city of Batavia, which is in Genesee County. This is a type one action, because it's substantially contiguous to a structure that is eligible for historic listing and the State Historic Preservation Office has determined that there are no adverse effects on that historic structure or other historic places and there are no other unmitigated adverse impact therefor as pursuant to the CCO regulations. At this time I'm recommending a classification of the project as a type one action, and that a negative declaration. I'm happy to answer any questions.

LM: if there are no questions, now before the Housing Trust Fund Corporation board for approval is the documentation and classification of Liberty Square. Assuming the first and second previously entered before the board, I'll do a roll call vote.

Chairperson Visnauskas?

CV: Aye

Ms. Leicht?

HL: Aye

Mr. Vallela?

AV: Aye

LM: thank you. The motion is carried and the resolution adopted. Next for your consideration is a contract extension with CVR for Section 8 inspection services.

Daniel Buyer ("DB"): Good afternoon, everybody. This is a contract for the Section 8 housing choice voucher program. CVR, the current contractor, was competitively procured in 2017. At the time, we contemplated a three-year contract with the option for a two year extension. We are now exercising that two-year option.

In addition, CVR will be adding to its coverage inspections in the Brooklyn borough due to staff retirement. The inspections are federally required per Section 8 regulations and while we are performing significantly less inspections during the COVID-19 epidemic, we are still performing health and safety inspections and we'll be required to resume full inspections later in the summer. So, it's important that this contract be continuous again. It's an extension for \$1,125,000 over two years.

LM: Are there any questions?

If there are no questions, now before the Housing Trust Fund Corporation board for approval is a resolution authorizing a contract extension with CVR for inspection services. Assuming the first and second previously entered before the board, we will now do a roll call vote.

Chairperson Visnauskas?

CV: Aye

Ms. Leicht?

HL: Aye

Mr. Valella?

AV: Aye

LM: Thank you so much. Next for your consideration is a separate contract extension with CVR for mobility counseling services. Dan?

DB: Thanks everybody. This is a contract with CVR acting as our local administrator for Westchester County. The mobility counseling program in Westchester County has been in existence for several decades. It was previously performed by a not for profit entity which no longer exists. The contract was taken over by CVR a few years ago, and we performed a single source procurement last year to provide a separate contract for the mobility counseling services. At some point, we intend to reprocur our mobility services likely as part of a larger strategy for the state but we are asking to extend this contract for another year while we come up with a larger plan. So, the one-year contract is for \$363,640 and that's the same price they gave us last year.

LM: Okay, are there any questions.

No, not for me.

LM: And now before the Housing Trust Fund Corporation board for approval is a resolution authorizing a contract extension with CVR for mobility counseling services. Assuming the first and second previously entered for the board, I will now do a roll call vote. Commissioner Visnauskas?

CV: Aye

Ms. Leicht?

HL: Aye

Mr. Valella?

AV: Aye

00:15:56.370 --> 00:16:04.254

LM: The motion is carried and the resolution adopted. Next for consideration is a resolution reauthorizing certain expiring CIF, HTF, MIHP and SHOP awards for various projects. Brett?

Brett Hebner: Good afternoon. In accordance with the previous authorization by the board of May of 2019, the CIF, HTF, MIHP and SHOP awards made at that time had an automatic expiration date of three hundred and sixty days to incentivize progress, towards closing construction financing. So that period has expired as of May 8 and we're asking the board to extend in light of the delays associated primarily with the COVID-19 pandemic and the impacts that that had on progressing projects toward a construction closing. So, we're asking for the twelve projects, listed to be extended for an additional year through May 2021.

LM: Are there any questions?

HL: This is Holly. I just want to recuse myself from voting on the Phipps Houses/Brook 156 Project.

LM: Of course; the record will reflect that. So, if there are no questions, now before the board for approval is a resolution, authorizing certain expiring CIF, HTF, MIHP and SHOP awards for various projects. Assuming the first and second previously entered, I will do a roll call vote.

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Chairperson Visnauaskas?

CV: Aye

LM: Ms. Leicht?

HL: Aye, except for the extensions related to Phipps Houses/Brook 156 Project.

LM: Mr. Valella?

AV: Aye

LM: Thank you. The motion is carried and the resolution adopted. Next for your consideration and authorization is authorization of a Small Rental Development Initiative HOME award for Saratoga Springs Housing Authority. Jason?

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00:18:32.069 --> 00:18:40.674

Jason Purvis ("JP"): Thank you. Good afternoon. We're presenting a recommendation to increase a certain award for the Saratoga Springs Housing Authority. They ran into a funding gap due to increased engineering and architectural cost, and in the change from modular to frame built construction. The project is proposing to construct two, twelve-unit apartment buildings, so a total of twenty-four affordable units, and they'll be energy efficient and meet all of and the home programs rules and regulations. They're originally funded \$3,272,106 and are requesting an increase of \$807,854. Without these funds, the project probably will not go forward, or will not be able to go forward. And the additional funding will come from the obligated funds from prior projects that were de-obligated that have timelines with HUD for expenditure. We are requesting authorization to increase the award for thirty in the amount of \$807,854 for the Saratoga Springs Housing Authority.

AV: Jason, what are the... I mean, that's a large amount for an original grant of \$3,272,106. Was that architectural or engineering costs? Why is it so much?

JP: We have a sense that most of it I think is the switch from modular to the frame built, which has to do with timing to get a code approval for multi-family units.

AV: Okay.

HL: So, did the modular built, was it going to take too long so they went in more traditional right?

JP: My understanding is to get to get code sign off and code approval for multi-family buildings adds almost another year or two to any project. But frame built does not really.

HL: Is that a... whose code is that? Is that their local, like, building code or city code? I find that interesting.

JP: City code. I should also point out that as part of this increase, the city have made quite a few concessions and adding cash to the project, donating land, removing a pilot payment, just so there's this can go forward and housing authority is way their developer fee to reduce the gap.

LM: Any other questions?

HL: I would be curious just as an aside if, if it's not a huge issue in the future, just to better understand why the code, why it takes so much longer to do inspections and get code done by for buildings, because if that's common in other places, that seems like a pretty big impediment to doing modular construction.

JP: Modular multi-family, right? That's the I think that's the distinction. It's not just modular homes. It's the larger, the larger structures.

CV: Yeah, but it's a fair question. It would be good to understand that a little better. Okay?

JP: Alright

LM: If there are no further questions and that before the board is resolution authorizing a Small Rental Development Initiative HOME award, increase for Saratoga Springs Housing Authority. Assuming the first and second previously entered before the board, I will take a roll call. Chairman?

CV: Aye

LM: Ms. Leicht?

HL: Aye, except for the extensions related to Phipps Houses/Brook 156 Project.

LM: Mr. Valella?

AV: Aye

LM: The motion is carried and the resolution adopted. Next for your consideration is a resolution authorizing a Community Development Block Grant Public Infrastructure program award increase to the Village of Alexander. Mr. Purvis?

JP: Thank you. The Village of Alexander in Genesee County was awarded \$965,000 as part of the 2018 consolidated funding applications in December of 2018, and they had other funding in there that was lost due to the COVID emergency and they were requesting to make the project whole with a \$100,000 award increase for a total project cost of \$1,065,000. Again, these would be the obligated funds from old projects that have commitment and expenditure deadlines from HUD and without this other \$100,000, the Village of Alexander would not be able to move forward with their project and start the engineering. We are requesting an increase of a \$1000,000 in funds here to the Village Alexander for their 2018 sewer project.

HL: What happened? Was it just cut or, you know, what happened?

JP: I'm not exactly sure. They, the Village, was notified that those funds were no longer available.

LM: If there are no other questions, now before the board is a resolution authorizing a CDBG public infrastructure program award increase to the Village of Alexander. Assuming the first and second previously entered before the board, I will do a roll call.

Chairperson Visnauskas?

CV: Aye

LM: Ms. Leicht?

HL: Aye.

LM: Mr. Valella?

AV: Aye

LM: Alright. Thank you. Motion carried and the resolution is adopted. As there are no informational items for today's meeting, if there are no remaining questions or comments, can I please have a motion and the second to adjourn the meeting? Ms. Leicht?

HL: Yeah.

AV: Second

LM: We'll take Alex as the second and I assume voting in favor of adjoining the meeting.

Yes, thank you. The motion is carried and the meeting is adjourned and our next meeting scheduled for June 25, 2020. Thank you.