

TRANSCRIPT OF THE NOVEMBER 10, 2021 BOARD MEETINGS OF THE STATE OF NEW YORK MORTGAGE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY MORTGAGE INSURANCE COMMITTEE, THE NEW YORK STATE HOUSING FINANCE AGENCY, THE NEW YORK STATE HOUSING FINANCE AGENCY FINANCE AND PROGRAM COMMITTEE, THE NEW YORK STATE HOUSING TRUST FUND CORPORATION AND THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION

Linda Manley, Senior Vice President and Counsel to the Agencies, stated that she will now open the November 10, 2021 meeting of the Boards of the New York State Housing Finance Agency, the State of New York Mortgage Agency, the Affordable Housing Corporation and the State of New York Mortgage Agency Mortgage Insurance Committee, and noted that Legislation signed by the Governor into law on September 2nd in response to the continuing impact of COVID-19 extends until January 2022 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, participation in today's Board meeting is being carried out both via public meeting and via conference call. 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 been posted.

Ms. Manley noted that because of these special features a change in voting procedures would be put in place for this meeting and she would be asking each Board member to record their votes individually.

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

Ms. Manley asked for a motion to call the meeting of the HFA Finance and Program Committee to order. Chairman Adams made the motion and Mr. Olczak seconded. Mr. Curtis voted aye; Ms. Visnauskas voted aye; Ms. McKeown voted aye, Ms. Gonzalez voted aye, Ms. Miller voted aye. Ms. Manley noted the presence of a quorum for HFA and AHC.

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

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

Chairman Adams began the meeting with some comments.

He noted that SONYMA Board member Elaine Gross had sent Board members some days ago an important tool developed to evaluate projects to determine if they conform with fair housing rules and regulations. He noted that this was sent relatively late to Board members due to the complexity of the internal legal review at the Agency. The review was to ensure that there was no conflict of interest involved in the sharing of information prepared by a Board Member's organization.

Chairman Adams noted that the information appears to be extremely important and helpful and that, as noted before, we are looking to have a fuller discussion on the topic at the December meeting. But he wanted to provide Ms. Gross an opportunity to introduce the materials.

Ms. Manley noted that after review, staff concluded that there was no conflict-of-interest issues and added that staff felt if appropriate that the materials come from Ms. Gross since they were not vetted by staff. She noted that at the December meeting there would be a full presentation on the topic, as well as presentations from Agency staff who work in fair housing issues.

Ms. Gross stated that this approach is consistent with her understanding. She then added some background on the topic. She stated that in 1968, with the passage of the Fair Housing Act, Congress had added a crucial component in the struggle against segregation, which meant that individuals not only can obtain redress by a showing that they've been discriminated against, but also that there is a mandate that applies to all governments, whether they be local governments or state governments, as well as entities receiving federal funds through HUD, that they take affirmative steps to further fair housing and to combat discrimination and overcome the patterns of segregation.

She added that the tool in question could be used to analyze the projects coming to the Board for approval in terms of to what extent they were furthering fair housing or furthering segregation. The tool essentially has three components. One is looking at the fair housing impact from the standpoint of the siting of the project; one uses the enterprise 360 tool and looks at opportunities in a given area given where the project is being sited, and looks at the potential to either increase or decrease the dissimilarity index which is a common tool, measuring segregation, residential segregation and that looks at race and the potential change in the racial makeup; and the third looks at affordability.

The composite score measures performance by analyzing each of the three categories. Ms. Gross added that she hoped that the approach was helpful and that it would become more familiar to the Board after the fuller discussion in December. She added one final comment: she noted that she was not advocating the use of "big data" to automatically resolve these issues. Humans need to in the end make the final, tough decisions on these issues. Her goal is not to replace that crucial function but instead to provide a useful tool to make that process more analytical and easier to implement. She hoped that the tool would add a quantitative key piece to all of the qualitative decisions, and she hoped that it would be useful to the Agency.

Chairman Adams thanked Ms. Gross for taking the time to address the Boards on this very important issues, and asked Board members if any had questions or comments. SONYMA Board

Member Mr. Kapell stated that he had started to use the tool in his review of the items on our agenda for today and found it helpful as an interesting new metric to consider.

With that, Chairman Adams Chairman Adams stated that Ms. Visnauskas would make her monthly President's report.

Ms. Visnauskas welcomed the Board members and thanked Ms. Gross for highlighting an issue that is very much a part of HCR's mission around affirmatively furthering fair housing. Ms. Visnauskas noted that today's agenda included a number of programmatic and administrative items for the Boards and Committees to consider including New HFA financings and/or Mortgage Insurance for 1,757 units of affordable housing in Erie, Oneida, Westchester, Saratoga and Kings County and an AHC consent item of just over \$7.3 million for 447-units of affordable housing located all across the State. Ms. Visnauskas noted that it had been a very busy month at HCR, we celebrated the completion of a \$22 million project in the Village of Endicott in Broome County; a \$91 million project in the Bronx which included hours

CHAIRMAN:

We will now move to the HFA, AHC and SONYMA items.

ITEM 1.

Approval of the transcript of the October 14, 2021, meetings, which transcript shall be deemed approved, absent corrections from Members and Directors.

NOW WE MOVE TO THE ITEM REQUIRING MORTGAGE INSURANCE COMMITTEE, HFA FINANCE AND PROGRAM COMMITTEE AND HFA MEMBERS' ACTION:

ITEM 2:

- (a) Resolution of the SONYMA Mortgage Insurance Committee approving 100% mortgage insurance on a \$4,170,000 HFA permanent first mortgage loan for Pilgrim Village Senior project in Buffalo, Erie County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$19,217,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$9,372,233 in HFA subsidy funds for Pilgrim Village Senior project in Buffalo Erie County.

Ms. McGill presented for the MIF and Russell Hubley for HFA.

Mr. Hubley summarized the material in the board memo. He fielded two questions from HFA Members: one on whether the contamination issue in the project was resolved. On this point, Mr. Hubley noted that this will be handled as part of the brownfield cleanup program where there's a remedial action work plan that's required to be put in place as part of the investigation, which has

to be approved in order for HFA to move forward.

The other point was made by Ms. McKeown who lauded the fact that this was an all electric project compliant with the new laws.

Ms. Manley moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee the motion is carried, and the resolution adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

Chairman Adams noted that item 3 was removed from the agenda.

CHAIRMAN ADAMS MOVED TO THE ITEMS REQUIRING MORTGAGE INSURANCE COMMITTEE, SONYMA BOARD, HFA FINANCE AND PROGRAM COMMITTEE AND HFA MEMBERS' ACTION:

ITEM 4:

- (a) Resolution of the SONYMA Mortgage Insurance Committee and of the SONYMA Board approving 100% mortgage insurance on a \$11,340,000 HFA permanent first mortgage loan for Bridge Rockaway, Brooklyn, Kings County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$52,000,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$18,000,000 in HFA subsidy funds for Bridge Rockaway, Brooklyn, Kings County.

Ms. McGill presented for the MIF and Russell Hubley presented for HFA.

Mr. Hubley fielded a question about the ownership structure of the project. He noted that there is a difference between the tax credit investor and the owner of the project, noting that the tax credit investor is not part of the legal ownership of the project.

Ms. Gross asked whether this was a community that was experiencing gentrification. Mr. Hubley noted that there is definitely a concern about that, noting that in most of the neighborhoods in Brooklyn there is a similar type of concern. He added that this was partly why this project is helping to at least address, in the sense that the project is creating 100% affordable housing geared towards income levels of the residents of the neighborhood and adding a commercial component, which is tailored towards small businesses.

In response to a follow-up question on the response from the community to this project, Mr. Hubley noted that in the various hearings and public forums there has not been negative comment about the gentrification impact.

A discussion ensued about the developer involved in the project and the partnership that will lead to manufacturing jobs being created as part of the commercial component of the project.

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

ITEM 5:

- (a) Resolution of the SONYMA Mortgage Insurance Committee and of the SONYMA Board approving 100% mortgage insurance on a \$10,520,000 HFA permanent first mortgage loan for Hudson Hills project, Yonkers, Westchester County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$31,415,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$3,277,000 in HFA subsidy funds for the Hudson Hill project in Yonkers, Westchester County.

Ms. McGill presented for the MIF and Russell Hubley presented for HFA.

Ms. Gross noted that this project also increases segregation with its placement in the section of Yonkers where it is located. Mr. Hubley noted that the project provides housing that is 100% affordable and that over half the units are supportive housing. He also added that it is a transit-oriented development located with proximity to jobs in downtown.

Ms. Gross noted that from the enterprise opportunity the score of the project was very low, but that the transit-oriented priority was a positive.

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

ITEM 6:

- (a) Resolution of the SONYMA Mortgage Insurance Committee and of the SONYMA Board approving 100% mortgage insurance on a \$34,225,000 HFA permanent first mortgage loan for Brooklyn Developmental Center project, Brooklyn, Kings County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$158,050,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$120,961,496 in HFA subsidy funds for the Brooklyn Developmental Center project, Brooklyn, Kings County.

Ms. McGill presented for the MIF and Ms. Julie Behrens presented for HFA.

The questions from Chairman Adams and from Board member Ballan focused on the transfer of ownership interest component from DASNY to HFA at less than fair market value, with both Board members expressing concern that the transaction receive all appropriate approvals, to ensure that HFA is not involved in a real estate transfer that can be challenged. In response, staff noted that DASNY's board would meet to approve the transfer and that HFA would not proceed with the transaction until all approvals, including the DASNY approval, were obtained.

There was an additional comment from the Board concerning the community-based services, including family support training and social rehabilitation. The question focused on who would be responsible for ensuring and monitoring that at the end of the day these types of services do transpire and that the residents of this building are getting the quality services that are presented in the board materials.

Ms. Behrens noted that for folks with developmental disabilities and persistent mental illness services will be available on site and enforced through under contract with state agencies,

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

ITEM 7:

- (a) Resolution of the SONYMA Mortgage Insurance Committee and of the SONYMA Board approving 100% mortgage insurance on a \$7,000,000 HFA permanent first mortgage loan for the Stonequist Apartments project in Saratoga Springs, Saratoga County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$27,000,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$11,064,730 in HFA subsidy for the Stonequist Apartments project in Saratoga Springs, Saratoga County.

Ms. McGill presented for the MIF and Ms. Julie Behrens presented for HFA.

Ms. Gross asked whether staff knew about the racial composition of the project residents. Ms. Behrens stated that the Agency did not have that information.

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

ITEM 8:

- (a) Resolution of the SONYMA Mortgage Insurance Committee and of the SONYMA Board approving 100% mortgage insurance on a \$14,650,000 HFA permanent first mortgage loan for the Edgemere Commons project, Far Rockaway, Queens County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$65,645,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds for the Edgemere Commons project in Far Rockaway, Queens County.

Ms. McGill presented for the MIF and Ms. Julie Behrens presented for HFA.

Ms. Miller noted her personal experience having been in this area during Hurricane Sandy and she noted that the devastation was extraordinary and that it was laudable that the Agency was undertaking such a wonderful project in this area. She asked for and received a positive response from staff on the features of the project designed to handle a similar storm in the future.

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

ITEM 9:

- (a) Resolution of the SONYMA Mortgage Insurance Committee approving 100% mortgage insurance on a \$17,360,000 HFA permanent first mortgage loan for Pilgrim Village Family project in Buffalo, Erie County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$36,256,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$5,009,446 in HFA subsidy funds for Pilgrim Village Family project in Buffalo Erie County.

Ms. McGill presented for the MIF and Russell Hubley presented for HFA.

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

NOW WE MOVE TO AN ITEM REQUIRING MORTGAGE INSURANCE COMMITTEE, SONYMA BOARD, HFA FINANCE AND PROGRAM COMMITTEE, HFA MEMBERS' ACTION AND HTFC MEMBER ACTION:

ITEM 10:

- (a) Resolution of the SONYMA Mortgage Insurance Committee and of the SONYMA Board approving 100% mortgage insurance on a \$9,900,000 HFA permanent first mortgage loan for McCarley Gardens Apartments, Buffalo, Erie County.
- (b) Resolutions of the HFA Finance and Program Committee and the HFA Members recommending and authorizing the financing approval of \$33,000,000 of maximum fixed-rate and/or variable-rate, tax-exempt and/or taxable bonds, and an amount not to exceed \$5,369,048 in HFA subsidy funds for the McCarley Gardens Apartments, Buffalo, Erie County.
- (c) Resolution of HTFC authorizing Homes for Working Families grant in an amount not to exceed \$4,000,000 for the McCarley Gardens Apartments, Buffalo, Erie County.

Ms. McGill presented for the MIF and Ms. Julie Behrens presented for HFA and HTFC.

Ms. Manley moved for adoption of the resolutions transmitted in connection therewith. Considering the first and second motions previously entered for the SONYMA Mortgage Insurance Committee and the SONYMA Board, the motions are carried, and the resolutions adopted.

Ms. Manley 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, the motions were carried, and the resolutions adopted.

CHAIRMAN:

NOW WE MOVE TO THE ITEM REQUIRING HFA ACTION:

ITEM 11:

Resolution of the HFA Members recommending and authorizing a subsidy loan in an amount not to exceed \$7,600,000 for the Inwood Tower project, City of New York, New York County.

Russell Hubley presented on behalf of HFA

Ms. Manley moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for HFA, the motion was carried, and the resolution adopted.

CHAIRMAN: WE NOW MOVE TO AHC

ITEM 12: Resolution authorizing award of grant funds.

Ms. Manley moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered for AHC, the motion was carried, and the resolution adopted.

CHAIRMAN:

THE LAST THREE ITEMS ARE INFORMATION ITEMS:

ITEM 13: Annual review of the contract with Genworth Mortgage Insurance Corporation for administrative services for the MIF's single-family pool policy.

ITEM 14: Current Agency Procurements in the Lobbying Restricted Period.

ITEM 15: Mortgage Insurance Committee Activity Report for the month of October.

Chairman Adams asked Ms. Manley to adjourn the SONYMA, HFA and AHC meetings.

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

Ms. Manley informed about next SONYMA, HFA, AHC Boards and SONYMA Mortgage Insurance Committee meetings are scheduled for Thursday, December 9, 2021 at 9:00 a.m.