

TRANSCRIPT OF THE APRIL 14, 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 AND THE TOBACCO SETTLEMENT FINANCING CORPORATION.

Alejandro J. Valella, Vice President and Deputy Counsel to the Agencies stated that he will now open the April 14, 2022 meeting 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 and the Tobacco Settlement Financing Corporation and noted that Legislation 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. This year's Budget contains amendments to the Public Officers law that would permit continuing participation by board members in public meetings using video facilities. We are reviewing the amendments to determine next steps, but the Budget bill provides a 60-day period during which our COVID-19 procedures can continue.

Mr. Valella also stated that the Board meeting would be held by conference call instead of as a public meeting open for the public to attend in person, and that a call-in number was made public for the public to listen to the proceedings.

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

Mr. Valella noted that Chairman Adams was not able to attend this month's meeting and stated that Ms. Visnauskas would lead the meetings as Vice Chairperson.

Mr. Valella began with a motion to call the meeting of the SONYMA Board to order. Ms. Visnauskas made the motion and Mr. Kapell seconded. Mr. Ballan voted aye; Mr. Olczak voted aye; Ms. Gonzalez voted aye; Ms. Gross voted aye; Mr. Rodriguez voted aye; 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. Mr. Olczak made the motion and Mr. Kapell seconded the motion. Mr. Ballan voted aye; Ms. Visnauskas 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 to order the State of New York Municipal Bond Bank Agency and Tobacco Settlement Financing Corporation meetings. Ms. Baldwin made the motion and Mr. SanFilippo seconded. Mr. Olczak voted aye; Ms. Miller voted aye. Mr. Valella noted the presence of a quorum for the State of New York Municipal Bond Bank Agency and the Tobacco Settlement Financing Corporation.

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

Ms. Visnauskas then made her President's Report. She noted that she would provide an update on three items: the budget that just passed; the climate action council work and the presidential budget. She began with the Presidential budget, noting that it includes ambitious proposals for climate change and discrimination, many of which affect what the agencies do. She noted that there are increases to vouchers and to home funding, adding that while the Agencies do not run the public housing capital and operating programs there is also funding for statewide public housing stock in general which is good. She added that as always with the presidential and federal budgets there is uncertainty as to where the figures will end.

Ms. Visnauskas moved to the climate action council summary. She noted that currently the Agencies are in the phase of generating a scoping plan which outlines how we are seeking to reduce greenhouse emissions 85% by 2050-- a very aggressive plan. She noted that transportation and building are always neck and neck as the biggest emitters for greenhouse gases, noting that after recent calculation adjustments housing is now the number one emitter. Ms. Visnauskas added that the scoping plan is now public and that we are in the process of conducting ten public sessions to get input, of which three have already been held, one being in the Bronx. She noted that she would speak more about this topic in the context of the housing plan presentation.

Ms. Visnauskas then shifted to the State Budget and proceeded to share her screen with the Board members so they could follow along with her Power Point presentation. She noted that this year's State budget includes a large commitment of funds to expand housing, with a \$25 billion overall plan to create and preserve over 100,000 units of housing over the next five years. This includes 10,000 units of supportive services. Ms. Visnauskas noted that this plan is similar to the plan that the Agencies are near the tail end of, although there will be areas where we are expanding opportunities with additional funding. She stated that in the new construction funding umbrella there is funding for supportive housing, split up as 7,000 units of new construction and 3,000 units of preservation units. She added that when compared to the prior plan the numbers have gotten significantly bigger: the agencies did 6,000 units over the last plan, and now this will be a commitment to 10,000 units of new construction and preservation of multi-family housing.

Ms. Visnauskas then moved to homeownership funding, noting that there is \$400 million allocated for new construction. As has been noted in prior board meetings, staff has been spending much time looking at homeownership rates across the State, looking at black and brown homeownership rates versus white homeownership rates as it relates to mortgage approvals and looking for disparities. This will now be an effort on the supply side, since not only do we need to help individuals on the credit side, but also to make sure we are helping to build affordable homeownership, so that there are properties to buy.

Ms. Visnauskas then switched to preservation, noting that we have made great strides in the last ten years across the State particularly continuing our efforts on the Mitchell-Lama portfolio, noting that there are still projects that need assistance in that portfolio and that some of this funding will go to that. She noted that \$200 million is set aside in the budget for public housing outside of New York City. She stated that a number of the housing authorities across the State use RAD or other programs for really comprehensive renovations that cannot be done with the limited capital funding from HUD. This funding will allow our agencies to assist them with that, and Ms. Visnauskas noted as an example the big effort in Syracuse to transform the entire public housing stock there.

Ms. Visnauskas added that there is \$160 million for a variety of programs including mobile and manufactured housing; as well as \$85 million for accessory dwelling units. She added that, lastly, there is \$250 million for electrification funds, so that low income communities can get ahead on the electrification front and be able to meet, such as in New York City, the trigger dates for people to get off fossil fuels. This will allow us to roll out programs for building owners to take advantage of grant dollars or very low interest rate loans to electrify their buildings.

Ms. Visnauskas also noted that presence in the budget of \$35 million for eviction prevention legal assistance so that low- and moderate-income households can access free legal counsel. She added that there is an additional \$35 million for a HOP program that provides legal assistance to homeowners, as well as \$2 million to continue the State's fair housing testing program that targets housing discrimination. She added that there is a \$1 million pilot program for land banks.

Ms. Visnauskas closed by stating that there were a number of items that did not make this budget but that we will continue to push for in the future, such as accessory dwelling units, transit-oriented development, as well as supply side tax exemption to drive construction of rental housing in New York City. She added that, as we did five years ago in connection with the last housing plan, we expected to come back to the Boards for budget increases to ensure that we have the appropriate staffing levels to follow through on these new commitments.

With that, Ms. Visnauskas fielded questions from the Board.

Mr. Rodriguez asked how this state budget compared with prior State budgets as relates the Agencies. Ms. Visnauskas noted that when we went through this process five years ago, we had a \$2.5 billion capital ask over the course of five years that was subsequently increased. In the

end, we ended with close to \$3 billion. This budget has us at approximately \$4.5 billion at the start, with two big growth areas: homeownership and electrification.

Ms. Miller asked about requirements regarding green building construction. Ms. Visnauskas noted that we are rolling out new design guidelines with new general construction requirements, where we will be requiring all our new construction by this time next year to be fully electric and will work on preservations projects after that.

In response to a question on sustainability, Ms. Visnauskas noted that that for the first time we will be rolling out a comprehensive set of sustainability guidelines over the next few weeks.

Mr. Kapell asked about agency experience with developers coming in and asking for more subsidy on the back of increasing costs and increases in material costs for construction. Ms. Visnauskas noted that staff was addressing these requests on a case-by-case basis and carefully reviewing any requests. Mr. Kapell also asked about whether the funding from the new sources would be going to municipalities directly from the agencies or through non-profits. Ms. Visnauskas responded that the funding had not been decided and may go either way.

That was the end of the President's report.

Ms. Visnauskas noted that we would thus move to:

ITEM 1. She noted that the transcript of the meetings held on March 10, 2022 shall be deemed approved, absent corrections from Members and Directors.

Ms. Visnauskas moved to:

ITEM 2: Resolution approving the Annual Evaluation by the Audit Committees.

She noted that this item was discussed earlier at the audit committee meetings and moved to the vote.

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

Ms. Visnauskas noted that the next six (6) items on the agenda were information items:

ITEM 3. Investment Quarterly Report for the period from November 1, 2021 through January 31, 2022.

ITEM 4: Administrative Budget Report as of January 31, 2022.

ITEM 5: Financial Statement Update for 1st Quarter 2022 (3rd Quarter Fiscal 2022 for AHC).

ITEM 6: Review of Agencies' 1st Quarterly Procurement Report for the period commencing November 1, 2021 and ending January 31, 2022.

ITEM 7: Current Agency procurement/contracts in the Lobbying Restricted Period.

ITEM 8: Quarterly Swap Report.

Mr. SanFilippo had a question on the investment report, noting that it presents allowable investments for MBBA but that it apparently has inconsistent provision dealing with the type of investments. Specifically, he wanted staff to check to see whether MBBA was permitted to invest in certificates of deposit. Mr. Valella stated that this would be checked, and the information provided to Mr. SanFilippo.

Mr. Valella took the opportunity to thank Mr. SanFilippo for his input concerning costs of issuance on the MBBA transaction for Buffalo approved by the MBBA board at its last meeting. He stated that Mr. SanFilippo was very helpful in his efforts to keep the costs of issuance as low as possible so as to increase the benefits to the City of Buffalo.

Ms. Visnauskas noted that there being no further business for the MBBA and TSFC Boards she would ask for a motion and a second to adjourn those meetings. Mr. Valella noted that, assuming the first and second previously entered for the MBBA Board and the TSFC Board, all in favor of adjourning, please signify by saying Aye.

The motions were carried. The meetings were adjourned. Mr. Valella noted that the next MBBA and TSFC meetings are scheduled for Thursday, June 9 , at 8:30 a.m.

Ms. Visnauskas moved to the items requiring Mortgage Insurance Committee action:

ITEM 9: Resolution approving 100% mortgage insurance on a \$2,040,000 CPC permanent first mortgage loan for the 206 Smith project in Freeport, Nassau County.

Mr. Friedman presented the item.

Ms. Gross commented on this item. She stated that this project, when run through the fair housing scoring tool, came out with a negative 25 score, which in her view was not as bad as it could be. The reason was the way the dissimilarity index was arrived at. The project is located in a disproportionately non-white area, but it is interesting in that it is located between an area that has a high score in terms of segregation and an area that has a low income finding. That suggests that the area is not a gentrifying community.

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 SONYMA Committee members voting to approve to signify by saying aye. The motion was carried, and the resolution adopted.

Ms. Visnauskas noted that the next items would require Mortgage Insurance Committee and SONYMA Board action:

ITEM 10: Resolutions of the SONYMA Mortgage Insurance Committee and of the SONYMA Board recommending and approving a \$1,550,000 increase on a \$6,150,000 CPC permanent first mortgage loan to \$7,400,000 for the 33 & 35 Academy Street Project in Poughkeepsie, Dutchess County.

Mr. Friedman presented the item.

Mr. Rodriguez asked about the impact of the 10% rent increases on the population of the project. Mr. Friedman responded that there would be no impact since the project was new construction.

Mr. Valella 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, Mr. Valella asked all SONYMA directors and Committee members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

Ms. Visnauskas moved to the next item, which involves action by the SONYMA Mortgage Insurance Committee and HFA.

ITEM 11:

- a. **Resolution of the SONYMA Mortgage Insurance Committee approving 100% mortgage insurance on a \$2,600,000 CPC permanent first mortgage loan for the Ford Block project, in Oneonta, Otsego County.**

- b. **Resolution authorizing a Small Building Program loan in an amount not to exceed \$1,200,000 for the Ford Block project in Oneonta, Otsego County.**

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

Mr. Valella moved for adoption of the resolutions 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 noted that Ms. McKeown was recusing herself on this item. Mr. Valella moved for adoption of the resolution transmitted in connection therewith. Considering the first and second motions previously entered HFA, but not including Ms. McKeown, Mr. Valella asked all HFA Members voting to approve to signify by saying aye. The motions were carried, and the resolutions adopted.

Ms. Visnauskas stated that the next item on the agenda is an information item; there will be no discussion on this unless Board Members or Directors so request.

ITEM 12: The Activity Report for the Mortgage Insurance Committee for March 2022.

Ms. Visnauskas noted that there being no further business for the SONYMA Board she would ask for a motion and a second to adjourn that meeting. Mr. Valella noted that, assuming the first and second previously entered for the SONYMA Board, all in favor of adjourning, please signify by saying Aye.

The motion was carried. The meetings were adjourned. Mr. Valella noted that the next SONYMA meetings are scheduled for Monday, May 16 , at 8:30 a.m.

Ms. Visnauskas moved to the next item, which is an **AHC Consent item.**

ITEM 13: Resolution authorizing award of grant funds for certain projects.

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 unanimously.

Ms. Visnauskas noted that there being no further business for the HFA and AHC Boards she would ask Mr. Valella to take the steps to adjourn the meetings. Mr. Valella asked for a motion and a second to adjourn those meetings. The motion was carried. The meetings were adjourned. Mr. Valella noted that the next HFA/HTFC and AHC Board meetings are scheduled for Monday, May 16, at 8:30 a.m.