

**MINUTES OF THE MEMBERS' MEETING OF THE NEW YORK STATE  
HOUSING TRUST FUND CORPORATION**

**HELD ON THURSDAY, FEBRUARY 16, 2023, AT 9:00 A.M.  
641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10004**

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**DIRECTORS AND DESIGNEES**

**PRESENT:**

Kenneth Adams	Chairman
RuthAnne Visnauskas	Commissioner, the New York State Division of Housing and Community Renewal
Bethaida Gonzelez	Member (via video conference)
Sadie McKeown	Member
James McIntyre	Member, representing the Temporary President of the State Senate
Jesse Olczak	New York State Division of the Budget, representing the Acting Director, Member (via video conference)
Eric Mostert	New York State Division of the Taxation and Finance, representing the Commissioner of Taxation and Finance, Member (via video conference)

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Chairman Adams presided over the meeting. Ms. Diana Villarnovo Lopez, Senior Vice President and Counsel to HCR, formally opened the meetings and acted as secretary.

Ms. Lopez noted that Mr. Jesse Olczak, representing the Director of the New York State Division of the Budget, and Eric Mostert, representing the Commissioner of Taxation and Finance are participating via video conference from the Capitol Building, Room 131, in Albany; and that Bethaida Gonzalez is participating via video conference from the Syracuse Regional Office, 620 Erie Boulevard, Suite 312.

A public notice was given of the time and location of the venues in accordance with the New York State Open Meetings Law.

Ms. Lopez asked for motions and seconds to call to order the February 16, 2023 meetings of the New York State Housing Trust Fund Corporation (HTFC), New York State Housing Finance Agency (HFA), the New York State Affordable Housing Corporation (AHC), the State

of New York Mortgage Agency (SONYMA), the New York State Municipal Bond Bank Agency (MBBA) and the New York State Tobacco Settlement Financing Corporation (TSFC).

Ms. Lopez asked for a motion to call the meeting of the HTFC Board to order. Ms. McKeown motioned to call the HTFC Board to order and Ms. Gonzalez seconded the motion.

Ms. Lopez asked for a motion to call the meeting of the HTFC Governance Committee to order. Chairman Adams motioned to call the HTFC Governance Committee to order and Mr. Olczak seconded the motion.

Ms. Lopez noted that these motions and seconds would be used, unless specific items called for a different vote, or unless any Member wished to record his or her vote differently.

Ms. Visnauskas made her President's Report.

She noted that it has been a busy few weeks since the last Board meeting, with major events such as the Governor revealing her Executive Budget proposal along with additional details on the housing compact. As a result, she and many on her staff have been on what has seemed to be a whirlwind tour of the State, meeting with elected officials, doing media interviews, round tables, and meeting with stakeholders to explain the plan and its components, with a focus around statewide growth targets, and regulatory and tax incentive initiatives. Our role has been to fill in the details and provide further explanations, to flesh out the very complex questions which cannot be covered in a speech or a formal announcement. She added that we are laser focused, making sure that people understand the Governor's ambitious housing plan and that we are getting input and feedback, because we want to make sure we understand where people have concerns and what are the ways that we can address those to make the Governor's plan something that can move forward. Ms. Visnauskas added that she agrees with the Governor that doing nothing is not an option, and that the housing crisis is too severe to not have it addressed. She added that additional events are planned next week in Long Island, in Westchester the week after and in Buffalo and Albany. She added that in March she will be doing her Budget testimony before the Legislature which is always challenging as well as interesting. She closed her presentation by noting that at today's meetings we would be seeking approval for several major housing developments across the state, including Queen's, Brooklyn, Buffalo, Rochester, and Hempstead. She also mentioned that the agenda including further work on our mission statements, discussed at our last meetings, to underscore the kind of things that we are tasked with as an agency to do and why you see what you see coming to the various Boards every month. With that, she ended her presentation.

Chairman Adams stated that he looked forward to getting a report from Ms. Visnauskas on her Budget testimony although he pointed out that the testimony would be televised and could be viewed by the public, board members, and staff.

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The HTFC Members reviewed the following resolution in conjunction with the HFA Members' meeting for the ETC Towers project in Buffalo, NY:

**A resolution of the Housing Trust Fund Corporation authorizing a partial debt forgiveness.**

Mr. Hubley presented.

Mr. Hubley stated that in 1958 the Ellicott Mall public housing project was built on this site and run by the Buffalo Municipal Housing Authority. It consisted of eight residential towers containing 590 units. The project suffered from deterioration over the next twenty years and was shut down in 1981. By the 1990s, the City began a plan to redevelop the area which included the rehabilitation of the 1958 towers and the new construction of senior housing nearby consisting of twelve senior town homes. This redevelopment was financed by HCR in 1997-98 through 9% tax credits and was developed by Northstar who along with the First Shiloh Baptist Church created a new mix of affordable family and senior housing. The redevelopment was known as the Ellicott Town Center or ETC Towers. The project now consists of 281 units, 257 of which are in the four high-rise towers for families and the 24 units for seniors in the nearby townhomes.

Mr. Hubley continued that Ellicott Town center is now in need of rehabilitation and modernization through energy efficiency upgrades. The developer Northstar and their portfolio was recently acquired by Beacon, a developer that has done a lot of development with HCR, particularly upstate. Beacon will now serve as the turnkey developer on this project while First Shiloh remains in place as the owner. The management company is Corvus.

The renovation work to be done is substantial at \$39.7 million or \$141,000/unit. It involves major work items including an overhaul of the heating, ventilation, and air conditioning systems and the building envelope. As a preservation project, the work will meet the agency's requirements for at least a 20% energy use reduction. For the senior town homes, the project is expected to exceed HCR's baseline requirements and qualify for Clean Energy Initiative funding.

Mr. Hubley explained that because the majority of tenants at ETC Towers are low income and below the maximum allowed income limit of 60% AMI, there is minimal revenue coming into the project. That coupled with the operating expenses means that the project cannot support the large amount of existing debt from the 1997-98 refinancing. Half of that debt is HTFC debt and the other half comes from the Buffalo Urban Renewal Agency. The appraised value of the project is well under the total amount of that existing debt and what would have been the acquisition cost. To make the project financially feasible and to ensure its continued preservation as affordable housing, staff is proposing the forgiveness of the HTFC debt in an amount not to exceed \$3.9 million in existing debt. The City of Buffalo will also be forgiving debt pari passu to the amount forgiven by HTFC. The remaining \$8.9 million in existing debt will be able to be subordinated into the project as that amount has been determined to be feasible along with the new financing to rehab the buildings.

Mr. Freeman asked what was being done to the families being displaced from their apartments during the renovation. Mr. Hubley responded that they were being temporarily relocated while the renovations were being carried out, and that they would be returning to the project upon completion. Mr. Freeman noted that he was referring to the tenants that had been in place during the original phase of the project in the 1980s. Mr. Hubley stated that he did not know about that part of the project history. Mr. Freeman noted that in Baltimore he knew of a case where renters were paid \$140,000 to leave their apartments during renovation and when they came back the cost of the apartments had risen to \$267,000 which they could not afford.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motions were carried, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING THE FORGIVENESS OF A PORTION OF THE DEBT OF THE FIRST SHILOH 202 HOUSING CORPORATION.**

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**The first item on the agenda for the HTFC Board was the adoption of the minutes of the HTFC Board meetings held on January 26, 2023.** There being no objections or corrections from the Members, the minutes were deemed approved.

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**The next item on the agenda was a resolution authorizing a Legacy City ACCESS program award for the Rural Ulster Preservation Company.**

Ms. Fletcher presented.

Ms. Fletcher stated that this is the second Legacy City ACCESS project proposed in the city of Kingston. RUPCO is a well-known non-profit housing organization that is based in Kingston. RUPCO has planned for the rehab of ten vacant homes that are currently owned by the city of Kingston with a total of fourteen affordable housing units – four of the homes will be duplexes. As with other projects in this program, up to \$150,000/unit is available for homeownership opportunities for households earning up to 80% AMI. This project has a total development cost of approximately \$6.6 million and funding from the Legacy City ACCESS program will be just over \$2 million. CPC will invest just over \$1 million in a construction loan and there are additional funds coming into this project from other sources. The city of Kingston has ARPA funds that it will invest. Bon Secours, a health and hospital organization, that has formed an HDFC to invest in affordable housing is going to be investing to assist with the rehab. The local NOVO Foundation is also investing. Because the developer here is a non-profit and because the Legacy City ACCESS program is focused on creating BIPOC business opportunities as well as homeownership opportunities, we have set a minimum MWBE participation standard of 35% which is well above the 20% that would be required under our State guidelines. The

developer will be striving to reach 50% MWBE participation, however. In addition to that goal, the Ulster County Youth Build Program will be building one of the ten homes – they are a group that is focused on alternative career paths for 16–24-year-olds. Because Kingston’s home prices have escalated more steeply than almost anywhere in the state throughout the pandemic it is particularly important to make sure that residents who are currently living in the city of Kingston have access to home buying opportunities and access to opportunities that avoid displacement. The sale prices of these homes will be between \$141,000 and \$183,000 which is affordable to just over 50% AMI. Those prices also reflect a discount to market of between \$100,000 and \$200,000 depending on the home size.

Ms. McKeown noted that the Land Bank in Kingston has been great to work with.

Ms. McKeown stated that she would recuse herself from this vote due to CPC’s involvement in the Legacy City ACCESS program.

Ms. Lopez noted that the HTFC vote requirement is six under statute and for today’s meeting we only have six members present. Under our Code of Ethics there is a provision that permits waiver of a recusal requirement in certain situations. Mr. Valella then stated that this waiver is available when there are extenuating circumstances that warrant consultation regarding the appropriateness of an exception to full recusal, and specifically this applies in cases where the Member/Director’s vote is required to meet the affirmative vote, and the Member/Director is voting with the majority and all other Members/Directors are voting unanimously. Mr. Valella noted that these conditions were satisfied since without Ms. McKeown’s vote, the matter could not be voted on as there would only be five votes and six are required for quorum and voting. He stated Ms. McKeown’s vote could be accepted without a recusal.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, the motion was carried and the following resolution was adopted unanimously:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING A LEGACY CITY ACCESS PROGRAM AWARD FOR THE RURAL ULSTER PRESERVATION COMPANY.**

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**The next item on the agenda was a resolution authorizing a Legacy City ACCESS program award for Home HeadQuarters, Inc.**

Mr. Blackmun presented.

Mr. Blackman began by stating that this is a request for just under \$2 million in funding from the Legacy City ACCESS program for a development being led by the non-profit Home HeadQuarters. Eight vacant homes in Syracuse’s south side neighborhood will be renovated as first-time homebuyer opportunities at 80% AMI and below and will include five accessory rental

units. A total of thirteen housing units will be developed. These will be full rehabs with all electric systems and Energy Star appliances.

Mr. Blackman continued and stated that the eight properties are located in areas designated as neighborhood revitalization areas by the city of Syracuse and are in proximity to nineteen new construction homes being completed by Home HeadQuarters in the south side as part of the city's Resurgent Neighborhoods Initiative.

Home HeadQuarters in engaging two MBE-certified general contractors for the construction – TKTD General Contracting and Donai, Inc. These contractors have worked with Home HeadQuarters to complete previous homebuyer rehabs in Syracuse. The Home HeadQuarters Neighborworks Homeownership Center will be providing the homeownership counseling to purchasers, and as a CDFI, HomeHeadQuarters is also able to offer first mortgage financing for purchasers.

Mr. Blackman continued that the total development cost is just over \$3 million – the Legacy City ACCESS subsidy averages just under \$150,000/unit and is within program limits. Home HeadQuarters will be funding the non-subsidy portion of development costs, which is about \$1.1 million, with their cash equity and their deferred developer fee. They will recoup this amount from sales proceeds as the homes are sold. This deal does not include a private construction loan – the Legacy City funding will be provided as a direct construction loan from HTFC with A&E overseeing the construction monitoring. HTFC's loan will be discharged incrementally as the homebuyers assume a second lien at purchase to ensure the affordability. Sale prices are set at \$125,000 for the single-family homes and \$150,000 for the two family home with average affordability below 60% AMI.

Mr. McIntyre commented that he likes to see the linkage with the SONYMA Give Us Credit program and how it is linking together two parts of the agency to help address needs, especially the racial wealth gap in Syracuse.

Commissioner Visnauskas commented that while these are small unit projects they are incredibly impactful and thanked staff for developing these proposals. Ms. McKeown agreed and thanked Ms. Fletcher and Mr. Burke for their work on this program and commented that these deals can be very tough to prepare.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution was adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING A LEGACY CITY ACCESS PROGRAM AWARD FOR HOME HEADQUARTERS, INC.**

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**The next item on the agenda was a resolution Community Development Block Grant Economic Development awards.**

Ms. Loffler presented.

Ms. Loffler began by stating that HCR makes CDBG funding available on an open-round basis to support economic development activities. These grants are awarded to units of local government that then provide the grant assistance to businesses in exchange for a commitment of job creation for low and moderate-income individuals. This month OCR is requesting approval to award \$870,000 in CDBG funding to support two businesses. This CDBG investment is expected to leverage over \$1.9 million in private investment and support the creation of more than fifty jobs. OCR is requesting Board approval to award CDBG funds and enter into grant agreements with the City of North Tonawanda to support MicroArt Services USA which manufactures electronics equipment and circuit boards and to the Village of Kiryas Joel to support a kosher poultry processing plant.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution was adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING COMMUNITY DEVELOPMENT BLOCK GRANT ECONOMIC DEVELOPMENT AWARDS.**

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**The next item on the agenda was a resolution authorizing an amendment to the Community Development Block Grant CARES Act award for Ability Partners.**

Ms. Loffler presented.

Ms. Loffler stated that OCR is requesting Board approval for an amendment to the existing CARES award for Ability Partners. The amendment is purely an administrative adjustment. Last month the award was made to Ability Partners which is actually the affiliate organization name – the awardee name needs to be changed to the United Cerebral Palsy Association of the Rochester Area.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution was adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING AN AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT AWARD FOR ABILITY PARTNERS.**

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**The next item on the agenda was a resolution authorizing an amendment to the Downtown Revitalization Initiative award for the Gloversville Theatre Corporation.**

Ms. Loffler presented.

Ms. Loffler stated that this is an amendment request to address several clerical errors. The Members awarded the Round 5 Downtown Revitalization Initiative contracts at the January 2023 meeting but following the meeting two adjustments were identified. OCR is requesting Board approval to adjust the identified awardee to the City of Gloversville instead of the Gloversville Theatre Company. The award will be for the same project and will just have a different contract holder. The second amendment is a very small award increase related to a clerical error.

Ms. Lopez moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING AN AMENDMENT TO THE DOWNTOWN REVITALIZATION INITIATIVE AWARD FOR THE GLOVERSVILLE THEATRE CORPORATION.**

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**The seventh item on the agenda was a resolution authorizing award increases for Weatherization Stimulus Program subgrantees.**

Ms. Pearce presented this item.

Ms. Pearce began by stating that she is asking for authorization from the Board to amend existing Weatherization Stimulus Program contracts that were made with ARPA awards in July 2021. She is requesting authorization to allocate a remaining \$2,000,000 of the contract to existing agencies that requested contingency funding to ensure they can complete their projects as well as authorization to extend the contracts based on an update to the OTDA MOU that allows for the extension of contracts to June 30, 2023.

Ms. Lopez next moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING AWARD INCREASES FOR WEATHERIZATION STIMULUS PROGRAM SUBGRANTEES.**



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**The eighth item on the agenda was a resolution authorizing legal services contracts.**

Ms. Lopez presented.

Ms. Lopez stated that HFA issued a Request for Proposals on August 24, 2012 to establish a pre-qualified panel of outside law firms to represent HFA and its affiliates. Relying on HFA's solicitation process and in accordance with the HTFC Procurement and Contract Guidelines, HTFC created a pre-qualified list of law firms for the provision of legal services. As part of the required annual review and recertification of the legal services panel, staff has given consideration as to the appropriateness and effectiveness of renewing the competitive selection process for law firms on HTFC's panel. HTFC anticipates issuing a new solicitation for legal services this Spring. HTFC staff expects to present a new panel of law firms to the members for approval at the June or July meeting. With that in mind, we are requesting authorization of legal services contracts with law firms on the HTFC panel until July 28, 2023. Ms. Lopez stated that the other agencies follow the same process.

Ms. Lopez next moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING LEGAL SERVICES CONTRACTS.**

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**The ninth item on the agenda was a resolution authorizing amendments to the By-Laws of the Housing Trust Fund Corporation.**

Ms. Lopez presented.

Ms. Lopez stated that amendments to the HTFC By-Laws are being proposed to reflect the sunset of the Governor's Office of Storm Recovery and the creation of the Office of Resilient Homes and Communities or RHC. The President of the Office of Single Family and Community Development will have oversight of RHC. Any President or Vice Presidents of RHC will be added to HTFC's list of officers. RHC will be included in the internal audit conducted by DHCR. Ms. Lopez stated that a full summary of the amendments has been included in the memo for this item and the redlined proposed amendments were annexed thereto.

Commissioner Visnauskas stated that these changes were a result of the budget last year to make a permanent Office of Resilient Homes and Communities rather than a temporary Governor's Office. She continued that the office is now formally part of HTFC in a more permanent way and had been renamed to reflect its mission.

Chairman Adams stated that the creation of RHC was an admission by the State that storm recovery never ends. Commissioner Visnauskas agreed and said that funding for Sandy was winding down, but funding for Ida is here, and funding from the Bond Act is coming and includes a lot of resiliency work.

Chairman Adams asked what would happen to the GOSR staff after the transition. Commissioner Visnauskas responded that they would continue their natural downsizing as a result of the Sandy grant winding down – a lot of the people hired with that funding were temporary hires. Commissioner Visnauskas continued that they are working on having a core set of state-funded staff. Ida staff will be funded on an Ida line and as other grant funding comes along staff will continue to get funded by those resources. Chairman Adams asked how many staff are currently at GOSR and Commissioner Visnauskas responded that it is currently 239. Chairman Adams also asked where their office space would be located and Commissioner Visnauskas responded that it was under discussion.

Ms. Lopez next moved for adoption of the resolution transmitted in connection therewith. Considering the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting to approve to signify by saying aye. The motion was carried, and the following resolution adopted:

**A RESOLUTION OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING AMENDMENTS TO THE BY-LAWS OF THE HOUSING TRUST FUND CORPORATION.**

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Chairman Adams noted that the next items on the agenda are informational items, and that there would be no discussion on these items unless the Members so requested.

**ITEM 10.** Review of SEQRA Concur Actions

**ITEM 11.** Review of SEQRA Type II Actions

**ITEM 12.** Review of Current Agency Procurements/Contracts in the Lobbying Restricted Period

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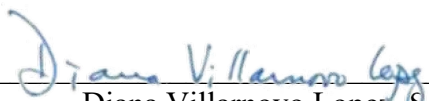
Chairman Adams then stated that the Board needed to go into Executive Session and that Ms. Lopez would take the requisite steps to enter into Executive Session.

Ms. Lopez then asked for a motion and a second to go into Executive Session pursuant to Section 105(d) of the Open Meetings Law to discuss proposed litigation. Assuming the first and second previously entered for the HTFC Members, Ms. Lopez asked all HTFC members voting in favor of entering Executive Session to signify by saying aye. The motion was carried.

After the conclusion of the Executive Session, Ms. Lopez asked for a motion and a second to reconvene the public session. Chairman Adams motioned to reconvene the public session and Commissioner Visnauskas seconded the motion. The motion was carried and the meeting returned to public session. No votes were taken in Executive Session.

There being no unfinished business, Ms. Lopez asked for a motion to adjourn the HTFC Board, Governance Committee, and Audit Committee meetings. Considering the first and second motions previously entered, the motions were carried, and the meetings were adjourned.

Ms. Lopez informed the Members that the next HTFC Board meeting is scheduled for Thursday, March 9, 2023, at 9:00 a.m.

  
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Diana Villarnovo Lopez, Secretary