

**MINUTES OF THE AUDIT COMMITTEE, GOVERNANCE COMMITTEE, AND
MEMBERS' MEETING OF THE NEW YORK STATE
HOUSING TRUST FUND CORPORATION**

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

DIRECTORS AND DESIGNEES

PRESENT:

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

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 Mr. Chris Curtis, representing the Commissioner of Taxation and Finance are participating via video conference from the Capitol Building, Room 131, in Albany.

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 March 6, 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. Miller 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 Ms. Visnauskas seconded the motion.

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

First, he complimented staff on the quality of the Board materials and the minutes. He noted, as he has in past meetings, that the quality of the product produced by staff at the Agencies is superior to what he has seen as a member of other public authority boards. He followed that comment up by bringing up two items which featured in the minutes found in the board books. First, he asked whether staff had taken any steps to address comments made by Professor Ford at the last meeting concerning MWBE categories and state law.

Second, he asked whether staff was working on changes to the mission statements to take into account comments from the Boards at the January and February meeting. Ms. Visnauskas asked Mr. Valella to reply. Mr. Valella stated that staff had a conference call with ESD staff to discuss Professor Ford's comments and that the plan was for ESD staff to come to our April board meeting to provide the Board with a presentation on the MWBE issues, which ESD had noted on the call were also coming up at other authorities. On the mission statement question, Mr. Valella stated that the matter would be taken up at the April Board meeting, since MBBA and TSFC would also be meeting and that would mean that the issues could be addressed by all the agencies as a group in one meeting. Chairman Adams thanked Mr. Valella for the response.

Chairman Adams then mentioned that he received some helpful communications from Mr. David Price from GOSR concerning the Internal Audit Group Charter that had been mailed to HTFC Board members for action at today's meeting. Mr. Price had some thoughts on the Charter which he wanted addressed. Chairman Adams asked Mr. Valella to address the comments and the action taken by HTFC to address Mr. Price's comments. Mr. Valella noted that Mr. Price had made three points concerning the charter changes, two of which were correct and led to staff revising the materials before the Board. The two changes correct an error in the materials which would have made the reporting responsibilities of the Internal Auditor as well as the responsibility for approval of audit plans subject to either Board or senior staff review. Mr. Valella stated that this was an error and that in both cases the direct responsibility for oversight rested with the HTFC board. The Internal Audit Group Charter before the HTFC Board has now been corrected. Mr. Valella noted that the third point, concerning Audit Committee review of audit staff functions as well as the

remuneration of the internal auditor did not need correcting, as those matters remain the responsibility of the Audit Committee under the Audit Committee Charter, not up for revision.

Ms. Visnauskas then made her President's Report. She began with an update on events since the last board meeting. She noted that at the time of the February Board meetings, she was just about to just a couple of weeks away from testifying before the State Legislature, which she did last week with approximately two and a half hours of testimony, focusing largely on the housing compact, but also on a number of other issues raised by the Legislature, including our work on Mitchell Lama our work on fair housing testing. There were also concerns with apartment registrations, a big topic that has been on the news relating to our office of rent administration. Ms. Visnauskas added that the discussions also involved minority home homeownership rates and a number of other questions reflective of the great breadth and depth of the work of the Agencies.

Ms. Visnauskas added that staff was currently emmeshed in the work around the housing compact, with frequent travel around the State to address questions and provide details and explanations. She added that this public engagement is helpful to dispel some of the myths that have coalesced in the minds of many about the compact. She mentioned that as the Budget gets negotiated and concluded she will report back on future developments.

She mentioned a few of the items on the agenda for the meeting which complement the work of the Agencies communities throughout the State. Along those lines, she mentioned that the Board would be hearing from Samantha Pearce on several projects that are getting funding through the Clean Energy Initiative. Items will also be up for approval under our Legacy Cities ACCESS Program, which you all remember is the program where we are working with land banks to renovate distressed homes. She added that the agenda also includes economic development awards as well as expansion in our Neighborhood and Rural Preservation Programs. She closed by noting funding for the Mobile Home Replacement Program.

With that, Ms. Visnauskas closed her President's report.

She then fielded questions from the Board.

The first concerned reports dealing with the housing compact which use the figure of 800,000 units and asking whether there was a requirement that a particular percentage be "affordable." Ms. Visnauskas stated that over the last 10 years approximately 400,000 units of affordable housing have been created, and that the assumption is that the same rate of affordable unit creation will operate under the compact. It is acknowledged that there is a need for an additional 400,000 units given the job growth as well as the growth in the population in the State. We need housing to be built as mixed income housing, driven by tax incentives, by zoning incentives, and we need it throughout the State.

She added that the plan has growth targets built into it for localities: 3%, Downstate and 1% Upstate. If there's a town that has 10,000 housing units, and they would have a 100-unit goal – they can either build 100 market rate units over the 3 years, or they could build 50 affordable regulated units, and that would count as meeting their goal.

The HTFC Members reviewed the following resolution in conjunction with the SONYMA, HFA, and AHC Members' meetings for the appointment of a Chief of Staff:

A resolution appointing a Senior Vice President and Chief of Staff.

Ms. Visnauskas presented the item, providing the Boards with details on the work done by Cathleen McCadden Benjamin, the current Deputy Chief of Staff, over the last few years to help advance the Agencies' housing agenda. She recommended her appointment without reservation. Ms. McCadden Benjamin thanked the Board and Ms. Visnauskas for the opportunity, noting her pride in joining the Agencies' senior staff.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE HOUSING FINANCE AGENCY, THE AFFORDABLE HOUSING CORPORATION AND THE HOUSING TRUST FUND CORPORATION APPOINTING MS. CATHLEEN MCCADDEN BENJAMIN AS SENIOR VICE PRESIDENT AND CHIEF OF STAFF.

The HTFC Members reviewed the following resolution in conjunction with the SONYMA, HFA, and AHC Members' meeting:

Chairman Adams noted that the next item on the agenda had been sent to Board members by separate cover.

A resolution authorizing a paid parental leave benefit for unrepresented employees.

Ms. Mallow and Mr. Moro presented the item.

Due to time constraints, Chairman Adams asked them to briefly summarize the benefit, noting that the board memo contained the details. After the summary Chairman Adams asked for some clarifications prior to the vote.

First, he asked Ms. Mallow to confirm that the benefit was not in excess of what was currently being offered to unrepresented employees. Ms. Mallow answered in the affirmative, noting that the item was prompted by the recent action at the State agency level which offers this benefit to all State agency unrepresented employees. The goal was to provide the same benefit to public authority unrepresented employees.

Second, Chairman Adams asked Ms. Mallow to clarify whether this benefit would also be offered to the Agencies' employees covered by collective bargaining agreements. Ms. Mallow stated that it was the intent of the Agencies to offer the benefit to all of its employees, including those covered by the collective bargaining agreement, although this would have to be done as part

of the negotiations in the collective bargaining agreement process. Chairman Adams reiterated that he expected the benefit to be offered to all employees.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted unanimously:

A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE HOUSING FINANCE AGENCY, THE AFFORDABLE HOUSING CORPORATION AND THE HOUSING TRUST FUND CORPORATION APPROVING PAID PARENTAL LEAVE BENEFITS FOR UNREPRESENTED EMPLOYEES.

The first item on the agenda for the HTFC Board was the adoption of the minutes of the HTFC Board meeting held on February 16, 2023. There being no objections or corrections from the Members, the minutes were deemed approved.

Ms. Lopez and Chairman Adams proposed that the Board approve items 2-11 on the HTFC Agenda through one resolution unless the Members had any specific questions based on their review of the meeting materials. No questions were raised. Ms. Lopez then moved for adoption of the resolutions transmitted in connection with Items 2-11 on the HTFC Agenda.

Ms. McKeown noted that she would need to recuse herself from voting on Item 3, the authorization of a Legacy Cities ACCESS Program award for JAW Housing Inc. Mr. Valella noted that because the HTFC vote requirement is six under statute and for today's meeting we only have six members present, Ms. McKeown's vote was needed. Under our Code of Ethics there is a provision that permits waiver of a recusal requirement in certain situations. Mr. Valella noted that the conditions were satisfied since without Ms. McKeown's vote, the matter could not be voted on. He stated Ms. McKeown's vote could be accepted without a recusal.

Considering the first and second previously entered for the HTFC Members, the motion was carried and the following resolutions were adopted unanimously:

2. **RESOLUTION APPROVING THE FY 2023-24 ADMINISTRATIVE AND PROGRAMMATIC BUDGET**
3. **RESOLUTION AUTHORIZING A LEGACY CITIES ACCESS PROGRAM AWARD FOR JAW HOUSING INC.**
4. **RESOLUTION AUTHORIZING COMMUNITY DEVELOPMENT BLOCK GRANT ECONOMIC DEVELOPMENT PROGRAM AWARDS**
5. **RESOLUTION AUTHORIZING NEIGHBORHOOD AND RURAL PRESERVATION PROGRAM AWARDS**

6. **RESOLUTION AUTHORIZING SECTION 8 PROJECT BASED VOUCHER AWARDS**
7. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH CVR ASSOCIATES, INC.**
8. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH CASO DOCUMENT MANAGEMENT, INC.**
9. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH LANCESOFT, INC. AND 22ND CENTURY TECHNOLOGIES, INC.**
10. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH MORRIS, MANNING AND MARTIN LLP**
11. **RESOLUTION AUTHORIZING AMENDMENTS TO THE PROCUREMENT AND CONTRACT GUIDELINES**

Ms. Lopez noted that Ms. McKeown had recused herself from voting on Item 3, but that pursuant to our Code of Ethics, Ms. McKeown's vote on that item was necessary and was being counted.

Chairman Adams stated that Item 12 on the agenda was a resolution authorizing amendments to the Internal Audit Group Charter and the Rescission of the Governor's Office of Storm Recovery Internal Audit Department Charter.

Chairman Adams noted the importance of this item.

Ms. Lopez stated that Item 13, resolutions of the Audit and Governance Committees approving amendments to the HTFC By-Laws, could be handled with Item 12 as both items involve the integration of the Governor's Office of Storm Recovery into the Office of Resilient Homes and Communities. Ms. Lopez then stated that both items are intended to ensure that HTFC's governing documents, in this case, the Internal Audit Group Charter and the By-Laws, reflect the shift of the Governor's Office of Storm Recovery to the Office of Resilient Homes and Communities.

Chairman Adams noted that David Price had sent him some helpful information on this item regarding the proper setup of the audit function for what was the Governor's Office of Storm Recovery as it transitions into HTFC. Chairman Adams asked Mr. Valella to explain how the items that Mr. Price had raised had been addressed by staff. Mr. Valella responded that the first of two main points that Mr. Price raised after reviewing the first draft of the amended Internal Audit Group Charter was a correction to the materials to note that the audit plan has to be approved by the Board and the Audit Committee – the prior version of the document had an “and/or” so that Senior Management could provide that approval. Mr. Price appropriately reminded everyone that under

State law, the Internal Auditor and the Internal Audit function reports to the Board, so the “and/or” that had been included in the prior version of the document was not correct. The second item that Mr. Price raised was on the reporting of the Internal Auditor. Mr. Valella explained that on both that item and the audit plan, there has to be a level of independence, and both of those items had been corrected.

Ms. Zamenick confirmed that these items had been corrected and that the Board was being asked to rescind the separate Governor’s Office of Storm Recovery policy and amend the DHCR/HTFC Charter for Internal Audit to include the Office of Resilient Homes and Communities and any federal funding requirements.

Mr. Valella then stated that Mr. Price’s third point concerning the role of the Audit Committee appointing the auditor and being responsible for remuneration had not been addressed here as it was not being affected at all by the proposed amendments to the Internal Audit Group Charter. The role of the Audit Committee is outlined in the Audit Committee Charter and that was not being changed. Chairman Adams noted that he hoped that Mr. Price would see this consistency, thanked him again for his input, and noted that he hoped the record would reflect that.

Ms. Lopez moved for adoption by the HTFC Audit Committee of the following resolutions:

12. Resolution Authorizing Amendments to the Internal Audit Group Charter and the Rescission of the Governor’s Office of Storm Recovery Internal Audit Department Charter
13. Resolutions of the Audit and Governance Committees Approving Amendments to the By-Laws

Considering the first and second previously entered for the HTFC Audit Committee Members, the motion was carried and the following resolutions were adopted unanimously:

A RESOLUTION OF THE AUDIT COMMITTEE OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING AMENDMENTS TO THE INTERNAL AUDIT GROUP CHARTER AND THE RESCISSION OF THE GOVERNOR’S OFFICE OF STORM RECOVERY INTERNAL AUDIT DEPARTMENT CHARTER.

A RESOLUTION OF THE AUDIT COMMITTEE OF THE HOUSING TRUST FUND CORPORATION APPROVING AMENDMENTS TO THE BY-LAWS.

Ms. Lopez moved for adoption by the HTFC Governance Committee of the following resolution:

13. Resolutions of the Audit and Governance Committees Approving Amendments to the By-Laws

Considering the first and second previously entered for the HTFC Governance Committee Members, the motion was carried and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEE OF THE HOUSING TRUST FUND CORPORATION APPROVING AMENDMENTS TO THE BY-LAWS.

Ms. Lopez moved for adoption by the HTFC Audit Committee of the following resolution:

- 2. Resolution Approving the FY 2023-24 Administrative and Programmatic Budget

Considering the first and second previously entered for the HTFC Audit Committee Members, the motion was carried and the following resolution was adopted unanimously:

A RESOLUTION OF THE AUDIT COMMITTEE OF THE HOUSING TRUST FUND CORPORATION APPROVING THE FY 2023-24 ADMINISTRATIVE AND PROGRAMMATIC BUDGET.

Ms. Lopez moved for adoption by the HTFC Governance Committee of the following resolution:

- 11. Resolution Authorizing Amendments to the Procurement and Contract Guidelines

Considering the first and second previously entered for the HTFC Governance Committee Members, the motion was carried and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEE OF THE HOUSING TRUST FUND CORPORATION AUTHORIZING AMENDMENTS TO THE PROCUREMENT AND CONTRACT GUIDELINES.

Ms. Lopez then moved for adoption of the resolution transmitted in connection with Item 12. 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 AMENDMENTS TO THE INTERNAL AUDIT GROUP CHARTER AND THE RESCISSION OF THE GOVERNOR’S OFFICE OF STORM RECOVERY INTERNAL AUDIT DEPARTMENT CHARTER.

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 14. Review of SEQRA Type II Actions

ITEM 15. Review of Clean Energy Initiative Project Awardees

ITEM 16. Review of Contract with CGI Information Management Systems & Management Consultants, Inc.

ITEM 17. Review of Current Agency Procurements/Contracts in the Lobbying Restricted Period

Ms. McKeown asked about Item 15 and asked whether the Clean Energy Initiative was now being allowed in HTFC projects. Ms. Pearce responded that this item is to advise the Board of what projects had been awarded. The initial authorizing resolution permitted work with both HTFC and HFA projects, and this is an informational item summarizing the projects that have been awarded since the board was last updated.

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, April 13, 2023, at 9:00 a.m.

Diana Villarnovo Lopez, Secretary