

211th HHAC Board Meeting Minutes

Meeting date: October 4, 2023

Call to Order:

The 211th meeting of the Homeless Housing and Assistance Corporation (HHAC) was held at the NYS Media Service Center (MSC), in Albany, New York at 1:30 p.m. on October 4, 2023. The meeting was called to order by Rick Umholtz, Deputy Commissioner for Housing and Refugee Services within the NYS Office of Temporary and Disability Assistance (OTDA).

Members in Attendance:

Brett Hebner, Board Member Designee representing Board Member Kenneth Adams, Chairman of the NYS Housing Finance Agency (HFA), Julie Duncan, Board Member Designee representing Board Member Commissioner Ann Marie Sullivan of the NYS Office of Mental Health (OMH), and Esteban Ramos, Advisory Board Member Designee representing Advisory Board Member Commissioner Chinazo Cunningham, M.D. of the Office of Addiction Services and Supports (OASAS).

Others in Attendance:

Dana Greenberg	HHAC President
Brenda McAteer	HHAC Vice President
John Cucinelli	HHAC Treasurer
Michael Washburn	HHAC Comptroller
Connie Adsitt	HHAC Assistance Comptroller
Amanda Diller	HHAC Secretary
Megan Van Geest	HHAC Assistant Secretary
Simone Demelo	OTDA Division of Legal Affairs (DLA)
Stephen Carney	OTDA DLA
Matthew Ciulla	HHAP Project Manager

Items of Discussion:

Approval of Minutes

Mr. Umholtz requested a motion to accept the minutes of the 210th HHAC Board Meeting that took place on August 2, 2023. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

President's Report

Ms. Greenberg presented the President's Report and began with an overview of the status of all projects under development as of August 31, 2023, when there were 94 projects in various stages of development. Forty-seven of these projects were in construction, three of which were over 90% complete. Furthermore, 35% of the projects in development at that time were in New York City, 14% were in the suburban regions of Westchester, Nassau and Suffolk counties, and the remaining 51% were in the rest of the state.

Project-Related Milestones

Final Award and Loan Agreements

- United Veterans Beacon House (UVBH) (2021-032/HC01087) executed a Final Award Agreement (FAA) on July 26, 2023. UVBH received a \$2,616,337 HHAP award reservation in February 2022 for the new construction of a single-family house providing one family unit and up to six beds of permanent supportive housing (PSH) for a homeless veteran with a family, as well as the moderate rehabilitation of two emergency shelters providing 16 beds of emergency housing for homeless singles in East Patchogue. HHAP is the only source of development funding. Matt Ciulla is the project manager.

Completed

- Concern for Independent Living (Concern)/Concern Pitkin LLC (2018-028/HC01012) obtained a Temporary Certificate of Occupancy (TCO) on August 17, 2023. Concern received a \$3,771,424 HHAP award reservation in December 2018 for the new construction of 35 units of PSH for adults with a serious mental illness (SMI) in Brooklyn. An additional 22 units are reserved for low-income individuals and families who earn up to 60% of the area median income (AMI). There is also a two-bedroom unit for a live-in superintendent, for a total of 58 units. Other sources of development funding include Low-Income Housing Tax Credit (LIHTC) equity and Supportive Housing Loan Program (SHLP) through NYC Housing Preservation and Development (HPD) a construction loan from Community Preservation Corporation (CPC), and a deferred developer's fee, for a total project cost of \$28,089,487. Megan Van Geest is the project manager.
- Concern/CHP St. James LLC (2019-007/HC01013) obtained a TCO on August 31, 2023. Concern received a \$4,950,000 HHAP award reservation in November 2019 for the new construction of 51 units of PSH for homeless adults with SMI in the Bronx. An additional 50 units are reserved for low-income individuals and families who earn up to 60% of the AMI. There is a two-bedroom unit for a live-in superintendent, for a total of 102 units. The building also includes a new community service facility that will be leased back to the adjacent St. James Episcopal Church to provide a variety of social service programs, including a food pantry with hot meal service. Other sources of development funding include NYS Housing Finance Agency (HFA) bond financing, 4% LIHTC and Supportive Housing Opportunity Program (SHOP) through NYS Homes and Community Renewal

(HCR); a NYS Office of Mental Health (OMH) Pre-Development Grant (PDG); a seller's note; accrued interest; a deferred developer's fee and an equity contribution, for a total project cost of \$64,264,334. Megan Van Geest is the project manager.

- H.E.L.P. Development Corp. (HELP)/HELP Hinsdale B LLC (2020-007/HC01039) received a TCO on July 19, 2023. HELP received a \$3,000,000 HHAP award reservation in February 2021 for the new construction of 43 units of PSH for chronically homeless individuals in Brooklyn. An additional 28 units will be reserved for low-income individuals and families for a total of 71 units. Other sources of development funding include LIHTC equity through HPD, solar tax credits, and a sponsor contribution, for a total project cost of \$33,399,601. Martin Robinson is the project manager.
- Veterans Outreach Center (VOC) (2020-034/HC01045) received a Certificate of Occupancy (CofO) on July 25, 2023. VOC received a \$2,000,000 HHAP award reservation in February 2021 for the substantial rehabilitation of Richard's House, their existing three-story structure located in Rochester. The project will preserve 30 units of transitional housing for veterans and will create an additional 16 beds for homeless veterans, including those with a mental health diagnosis, who are physically disabled and/or have a substance use disorder (SUD). Other sources of development funding include funding from the Department of Veterans Affairs (VA) and NYS Office of General Services (OGS), VOC savings and investments, and private donors and foundations, for a total project cost of \$6,222,388. Heather Lombardo is the project manager.

Events and Ceremonies

- HELP/HELP Park Place LLC (2022-008/HC01084) held a groundbreaking ceremony on July 20, 2023. HELP received a \$3,140,000 HHAP award reservation in June 2022 to develop eight units of PSH for chronically homeless families in Brooklyn. Thirty-six units will be reserved for low-income individuals and families who earn between 50%-80% of the AMI, for a total of 44 units. Other sources of development funding include LIHTC and State LIHTC (SLIHC) equity, Federal and State Housing Trust Fund (HTF) and Community Investment Fund (CIF) through HCR; a CPC loan; a sponsor loan; solar tax credits; a New York State Energy Research and Development Authority (NYSERDA) grant and a deferred developer's fee, for a total project cost of \$31,419,623. Katherine Blake is the project manager.
- JCTOD Outreach, Inc./Johnson Park Green Living LLC (JPGL) (2019-005/HC01073) held a groundbreaking ceremony on June 21, 2023. JCTOD received a \$4,500,000 HHAP award reservation in November 2019 and requested and received a \$1,125,000 award reservation increase in November 2022 due to increases in construction costs. The total HHAP investment is \$5,625,000 for the new construction of 31 units of PSH in Utica. Twenty-one of the HHAP units are for homeless individuals over the age of 55, and 10 units are for homeless single adults with SMI. The remaining 31 units will be reserved for low-income individuals and families who earn up to 60% of the AMI, for a total of 62 units. Other sources of development funding include LIHTC, CIF and SHOP

through HCR; funding from the City of Utica; community foundation funding; a NYSERDA incentive; a seller note; solar tax credits and a deferred developer's fee, for a total project cost of \$27,790,081. Elaine Houlihan is the project manager.

- Rochester Housing Authority (RHA)/RHA Federal St. Associates LLC (2020-055/HC01083) held a groundbreaking ceremony on August 17, 2023. RHA received a \$1,627,884 HHAP award reservation in April 2021 and requested and received a \$406,971 award increase in February 2023 due to increases in construction costs and interest rates. The total HHAP investment is \$2,034,855 for the new construction of nine units of PSH for re-entry/ex-offenders and their families who are experiencing homelessness in Rochester. The remaining 44 units will be reserved for low-income families, for a total of 53 units. Other sources of development funding include S/LIHTC equity and a Public Housing Preservation program (PHP) loan from HCR, a CPC loan, a NYSERDA incentive, a sponsor loan and reserves and a deferred developer's fee, for a total project cost of \$26,912,028. Martin Robinson is the project manager.

There was no further discussion or comment.

Mr. Umholtz requested a motion to accept the President's Report. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

Treasurer's Report

Mr. Cucinelli provided a brief synopsis of Schedule One of the Treasurer's Report and reported the cash balance available as of the date of the meeting was \$29,650,607.18. This included \$11,394,318.77 in Mortgage Insurance Funds (MIF).

There was no further discussion or comment.

Mr. Umholtz requested a motion to accept the Treasurer's Report. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

A Resolution of the Homeless Housing and Assistance Corporation Regarding Certain SEQRA Classifications and Findings

Mr. Ciulla presented the following projects to the Board:

- Project Name: Barrier Free Living 2021-036
- Project Name: Breaking Ground II Housing Development Fund Corporation 2022-024
- Project Name: Fortune Society, Inc. 2022-025

Mr. Ciulla reported that the Barrier Free Living, Breaking Ground II Housing Development Fund Corporation and Fortune Society, Inc. projects were unlisted. After performing an evaluation and review of the proposed actions it was determined that all three projects will not result in any significant adverse environmental impacts, therefore Negative Declarations were recommended.

There was no further discussion or comment.

Mr. Umholtz requested a motion to approve the SEQRA resolution. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

A Resolution of the Homeless Housing and Assistance Corporation Authorizing an Increase to a Final Award

Ms. Greenberg explained that the purpose of the resolution was to request the Board's approval for an increase to CAMBA Housing Ventures, Inc. - The Hart project 2020-013 due to cost increases caused by the termination of the original general contractor (GC) for breach of contract. An award increase up to \$2,145,713 was requested.

Mr. Hebner thanked Ms. Greenberg for HHAP's partnership in this project. There was no further discussion or comment.

Mr. Umholtz requested a motion to approve the resolution regarding an increase to a final award. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

A Resolution of the Homeless Housing and Assistance Corporation Authorizing Awards

Ms. McAteer explained that the purpose of the resolution was to request the Board's approval of two awards from the state fiscal year (SFY) 2023-24 funding round totaling \$8,872,430 to the following organizations:

- Community Services for Every1, Inc. - The Nest
- Greater Opportunities for Broome and Chenango, Inc. - New Berlin Housing Project

One application was reviewed and not recommended for funding at that time:

- Cortland Housing Assistance Council- River Street Senior Housing

This applicant will be offered technical assistance.

Ms. McAteer stated that the \$8,890,715 in project funding recommended at the meeting will produce 28 new units/55 beds, preserve seven/21 beds of PSH and preserve one-unit and 10 beds of emergency housing. With recommendations made at the meeting from the SFY 2023-2024 appropriation, the \$26,880,715 awarded to new projects funded will create 278 units/305 beds of new PSH, preserve seven units/21 beds of PSH, and preserve one unit/10 beds of emergency housing.

Ms. McAteer reported that there were 11 applications under review at the time of the Board meeting, requesting approximately \$70 million in HHAP funding.

Ms. McAteer noted that the SFY 2023-24 enacted State Budget contained a \$128 million appropriation for HHAP, including \$2 million for administrative expenses. Funds are awarded via an open Request for Proposals (RFP), which means that applications are reviewed, and awards are considered, in the order in which they are received, subject to the availability of funds. The RFP was issued on May 4, 2023, with applications being accepted starting May 25, 2023.

Ms. McAteer further stated the COVID-19 pandemic unquestionably impacted the construction world. HHAP's not-for-profit partners have experienced significant challenges during development; material costs have escalated substantially, as have interest rates for projects working toward construction closings. Working with its State and City partners, HHAC has assisted projects to fill gaps caused by these market forces. In the current SFY, HHAC provided award increases to four projects and brought another project to the Board at the meeting totaling \$4,519,437. With approval of the HHAP awards presented today and the additional funds provided to projects in development, the total funds committed to date is approximately \$31.4 million. The remaining uncommitted appropriation balance of approximately \$96.6 million may be utilized for future awards, which includes up to \$1 million for emergency shelter repairs and \$2 million for HHAC operating and administrative expenses.

Ms. McAteer also reported that of the \$128 million allocation, \$5 million is set aside for projects that will provide supportive housing for persons living with HIV/AIDS. To date there have been no applications submitted under the HIV/AIDS set-aside. Five million dollars is also set aside for projects that will provide supportive housing for veterans. To date, there is one application under review that includes veteran's housing. Up to \$1 million of the appropriation is allocated for existing emergency shelter repairs outside of NYC. Emergency shelter repair awards do not require HHAC Board approval pursuant to the policy adopted by the Board in August 2019. One application was awarded HHAP funds, as noted in the Board package, and will preserve one-unit/10 beds of emergency housing.

Ms. McAteer concluded her presentation by reporting on the geographic distribution of HHAP awards, award increases and amendments from SFY 2023-24. Thirty-nine percent (39%) of the funding was awarded to projects in the NYC region, 36% to the rest of state region, and 25% to projects in the suburban region of Suffolk, Nassau and Westchester counties.

There was no further discussion or comment.

Mr. Umholtz requested a motion to approve the resolution authorizing awards. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

Agency Reports:

HCR

Mr. Hebner reported that the 9% Multifamily LIHTC Credit RFP was released on September 15, 2023, with applications due on November 7, 2023. The RFP moved to an annual round and included \$40 million dollars in LIHTC, \$8 million in SLIHTC, and over \$200 million combined in various subsidy loan programs. Including tax credit multipliers, almost half of a billion dollars in resources will be available. Mr. Hebner stated that HCR looks forward to receiving applications and acknowledged that many HHAP projects in pre-development are awaiting HCR funding.

Mr. Hebner went on to report that HFA approved five projects at their September board meeting, consisting of over \$164 million in tax-exempt bonds and \$59 million in subsidy funding. This will create or preserve 871 units and includes 147 supportive units. Two of the five projects approved are new developments while the remaining three are preservation.

OMH

Ms. Duncan reported that two new awards were announced under OMH's Safe Options Support (SOS) Teams RFP. There are currently 11 teams in operation in NYC with an RFP for three additional teams to be released in the coming months. There are seven teams that are operational or in the process of becoming operational outside of NYC, and there is currently an RFP out seeking to establish four teams in the rest of state region.

Ms. Duncan stated that in the current state budget, there is capital and operating funding to develop 3,100 units of housing for individuals with mental illness. To date, OMH has issued four RFPs to create 1,000 units of licensed and unlicensed scattered site housing. OMH intends to issue RFPs for the remaining 2,100 units by the end of this calendar year.

OASAS

Mr. Ramos reported that OASAS continues to work with the interagency workgroup on the next ESSHI RFP. The comment period for the draft regulations for certifying recovery residences has closed and the regulations have been removed from the State registry. Mr. Ramos reported that many comments were received and OASAS is working to address them. The regulations will be released again in the future for public comment. Additionally, Mr. Ramos reported that OASAS continues to provide technical assistance to their colleagues and current housing providers.

OTDA

Mr. Umholtz began his presentation by offering congratulations to Martin Robins on his recent marriage and went on to thank the housing team for their commitment and ongoing hard work.

Mr. Umholtz stated that the housing team will be hosting in-person regional meetings. The first meeting will take place in Syracuse on October 13, 2023, followed by a meeting in White Plains on October 20, 2023.

Mr. Umholtz reported that 16 concept papers were reviewed that requested \$97 million in HHAP funding. Additionally, staff recently finished reviewing applications for the Housing Opportunities for Persons With AIDS (HOPWA) program and awards will be announced soon. The Solutions To End Homelessness Program (STEHP) procurement is currently being drafted. STEHP provides funding to support shelters, rapid rehousing, street outreach and prevention programs. The RFP is expected to be released in early 2024.

Mr. Umholtz concluded by reporting that The Balance of State (BoS) submitted their Federal Continuum of Care application.

New/Other Business:

The next HHAC Board meeting is scheduled to take place on Wednesday, December 6, 2023, hosted by the Media Service Center Studio, Albany, New York, at 1:30 p.m.

Mr. Umholtz asked for a motion to adjourn the meeting. Mr. Hebner made the motion, which was seconded by Ms. Duncan. The motion carried.

Mr. Umholtz adjourned the meeting at 2:09 p.m.

Megan Van Geest

HHAC Assistant Secretary

Date: