

Draft - 182nd HHAC BOARD MEETING MINUTES
Meeting date: June 6, 2018

Call to Order:

The 182nd meeting of the Homeless Housing and Assistance Corporation (HHAC) was held at the NYS Media Service Center (MSC), Albany, New York on June 6, 2018 at 1:30 p.m. The meeting was called to order by the Executive Deputy Commissioner of the Office of Temporary and Disability Assistance (OTDA), Barbara Guinn, as Board Chair Designee representing Board Chair Commissioner Samuel Roberts of OTDA.

Members in Attendance:

Brett Hebner, Board Member Designee representing Board Member Commissioner Ann Marie T. Sullivan of the Office of Mental Health (OMH); Sean Fitzgerald, Board Member Designee representing Board Member Kenneth Adams, Chairman of the NYS Housing Finance Agency (HFA); and Henri Williams, Advisory Board Member Designee representing Advisory Board Member Commissioner Arlene Gonzales-Sánchez of the Office of Alcoholism and Substance Abuse Services (OASAS).

Others in Attendance:

Barbara Roff	HHAC President
Dana Greenberg	HHAC Vice President
Karen Martin	HHAC Treasurer
Scott Kunkler	HHAC Comptroller
Michael Washburn	HHAC Assistant Comptroller
Brenda McAteer	HHAC Secretary
Lesley Stefan	OTDA Division of Legal Affairs (DLA)
Simone Demelo	OTDA DLA
Rick Umholtz	Director, OTDA Bureau of Housing and Support Services
Anthony Pezzino	Toski & Co./EFPR Group

1. Approval of Minutes

Ms. Guinn requested a motion to approve the minutes from the April 4, 2018, HHAC Board meeting. Mr. Fitzgerald made the motion, which was seconded by Mr. Hebner. The motion carried.

2. Vice President's Report

Ms. Greenberg presented the Vice President's (VP) Report, beginning with an overview of the status of all projects under development as of April 30, 2018, when there were 58 projects in various stages of development. There were 31 projects in construction, 5 of which were over 90% complete. Furthermore, 37% of the projects in development at that time were in New York City, 10% were in the suburban regions of Westchester, Nassau and Suffolk counties, and the remaining 53% were in the rest of the state.

Project Related Milestones

Pre-Construction Agreement

Cazenovia Recovery Systems, Inc. (CRSI)/ Benedict House (2017-014) executed a Pre-Construction Agreement on April 30, 2018. HHAC made an HHAP award of \$4,617,447 in August 2017 to develop 23 units of permanent supportive housing for homeless persons with a substance use disorder. HHAC is the sole development funder. This project will receive Empire State Supportive Housing Initiative (ESSHI) funds for operating expenses. Bethany Bennett is the project manager.

Final Award and Loan Agreements

JCTOD Outreach, Inc. (2015-018/ HC00939) executed a Final Award Agreement on March 20, 2018. HHAC made an award of \$1,802,122 in HHAP funds and \$800,000 in Medicaid Redesign Team (MRT) funds in December 2015 to develop eight units of permanent supportive housing in Utica. This housing will serve single women who are chronically homeless and have a mental illness. The City of Utica is the only other source of development funds. JCTOD value-engineered the scope of work and achieved a reduction in construction costs, thereby enabling a reduction in the HHAP award by \$438,345. The total development cost is \$2,530,824. This project will receive ESSHI funds for operating expenses. Kimberly Smith is the project manager.

Completed

Common Ground Community II HDFC/ Webster Ave Supportive LLC (2014-038/ HC00856) obtained a Temporary Certificate of Occupancy (TCO) on March 9, 2018. HHAC made an HHAP award of \$2,500,000 in April 2015 for 85 units of permanent supportive housing in a 171-unit mixed use project. There are 42 supportive units designated for chronically homeless single adults living with HIV/AIDS and who suffer from a co-occurring serious and persistent mental illness (SPMI) and may also have chemical addictions (MICA) (NY/NY III Category H). Another 38 units are for chronically homeless single adults who are diagnosed with a SPMI or have a MICA disorder; and the remaining 5 units are for homeless single adults. Other development funding included NYS Housing Finance Agency (HFA) 1st and 2nd mortgages, NYS Office of Mental Health (OMH), NYC Housing Preservation and Development (HPD), Low Income Housing Tax Credits (LIHTC) equity, Federal Home Loan Bank (FHLB), and Deferred Developer's Fee for a total development cost of \$64,270,372. Scott Kunkler is the Project Manager.

HELP Development Corporation (HELP)/ Genesis Homes (2015-015/ HC00907) substantially completed construction and was fully occupied as of April 19, 2018. HHAC made an HHAP award of \$2,500,000 in November 2015 to preserve 77 units of permanent supportive housing for homeless families in Brooklyn. This was part of a 150-unit mixed-use project. Other sources of development funding included LIHTC equity through HCR, NYC HPD, a deferred developer's fee, and a sponsor loan; this brought the total project cost to \$29,216,707. Martin Robinson is the project manager.

Events and Ceremonies

CAMBA Inc./ CAMBA Housing Ventures (CHV)/ CHV 560 Winthrop Street, L.P./ CAMBA Gardens II (CGII) (2013-001/ HC00827) held a Ribbon Cutting ceremony on April 24, 2018. HHAC made an HHAP award of \$6,000,000 in August 2013 to develop 182 units of permanent supportive housing. All 182 HHAP units will serve NY/NY III eligible households as follows: 108 studios are reserved for chronically homeless single adults who suffer from a SPMI or who are diagnosed as MICA (Category A); 50 studio units are reserved for homeless single adults who are living with HIV/AIDS (Category H); and 24 family units are reserved for chronically homeless families in which the head of the household is living with a mental illness (Category D). The total project cost was \$98,895,628 for this 293-unit mixed-use project. Dana Greenberg is the project manager.

Southern Tier Environments for Living, Inc. (STEL)/ Dunkirk Renovation and Ownership LP (2017-008/ HC00940) executed a Final Loan Agreement on March 13, 2018, and held a ground-breaking ceremony on April 27, 2018. HHAC made an HHAP award of \$2,222,219 in April 2017 to develop 10 units of permanent supportive housing for homeless singles with mental illness. This is part of a 49-unit mixed-use project in Dunkirk. The project is scattered-site and will develop 25 houses over 24 sites. HHAC's 10 units will be within five houses on four sites. Other sources of development funding include LIHTC equity, NYS Homes and Community Renewal (HCR) Housing Trust Fund Corporation (HTFC), Supportive Housing Opportunity Program (SHOP), Rural Area Revitalization Projects (RARP) as well as funding from OMH. The total project cost is \$16,537,046. Kimberly Smith is the project manager.

There was no further discussion or comment.

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

3. Comptroller's Report

Mr. Kunkler presented two resolutions for the Board's approval prior to the submission of various reports for State Fiscal Year 2017-2018 to the Authorities Budget Office (ABO) and the Office of the State Comptroller (OSC). In accordance with the Public Authorities Law (PAL), these reports must be submitted and posted by June 30, 2018.

Mr. Kunkler introduced Anthony Pezzino of Toski & Co., the auditing firm that completed the annual independent audit of HHAC. Mr. Pezzino summarized the Report to the Board and the financial statements. Mr. Pezzino stated that no issues were identified in the financial statements and that the audit resulted in an "unqualified," also known as a clean, opinion. During Mr. Pezzino's review of the draft audited financials Mr. Fitzgerald asked if the expectation is that neither mortgages or accrued interest are going to be repaid. Mr. Pezzino agreed that was correct.

Mr. Kunkler presented the Guidelines for the Disposition of Property and the Report on the Disposition of Property which will also be reported to PARIS. HHAC does not currently hold title to any real property.

Ms. Guinn asked if there were any questions or comments.

Two resolutions were introduced:

A Resolution of the Homeless Housing and Assistance Corporation Approving the Annual Independent Audit, Annual Report, Investment Guidelines, Investment Report, Procurement Guidelines and Report on Procurement Contracts and Submission Thereof, and

A Resolution of the Homeless Housing and Assistance Corporation Approving the Annual Budget Report to the Office of the State Comptroller

Ms. Guinn requested a motion to approve each resolution in the Comptroller's Report. Mr. Fitzgerald made both motions, and Mr. Hebner seconded. The motions carried.

4. Treasurer's Report

Ms. Martin provided a brief synopsis of Schedule One of the Treasurer's Report and reported that the cash balance available as of the date of the meeting was \$35,454,960. Included in this figure was \$12,026,782 in MRT funds and \$3,274,100 in Mortgage Insurance Funds (MIF).

Mr. Fitzgerald asked if the draw deposit was from typical program funds. Ms. Martin responded that it was from the general fund for program expenditures.

There was no further discussion or comment.

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

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

Mr. Kunkler brought two projects to the Board for consideration. A negative declaration was recommended for 2015-034, St. Joseph's Hospital School Street, as it would not have any significant adverse environmental impact.

The second project was recommended to receive a Conditioned Negative Declaration. 2017-001, West Side Federation for Senior and Supportive Housing West 108th St., would not have any significant adverse environmental impact conditioned upon the mitigation measures identified in the NYC Housing Preservation and Development (HPD) Final Environmental Impact Statement (FEIS) dated March 2, 2018.

Mr. Hebner asked if the FEIS was specific to the WSFSSH project. Mr. Kunkler affirmed that HPD required an environmental impact statement for their review.

There was no further discussion or comment.

Ms. Guinn requested a motion to approve the resolution. Mr. Fitzgerald made the motion, which was seconded by Mr. Hebner. The motion carried.

Agency Reports:

OTDA:

Mr. Umholtz announced that the HHAP request for proposals was released on May 29th. A webcast was scheduled for Friday, June 8th, highlighting what was new under the RFP and on June 28th new applications would be accepted. OTDA released the Emergency Needs for the Homeless Program (ENHP) on June 1st. Questions were due by June 15th with applications due by July 16th.

Ms. Guinn stated that the HHAP RFP again included a set-aside for shelter repairs for shelters outside of New York City and encouraged organizations to apply for those funds.

OMH:

Mr. Hebner stated that the ESSHI RFP has been released, representing the third year of the initiative to provide services and operating funding for a total 6,000 supportive housing units over five years. Questions and Answers were posted on OMH's website on June 6th, and applications were due June 19th. OMH is continuing to complete projects that remain in its capital pipeline. OMH will again be awarding Supportive Housing beds for State Fiscal Year 2018-19 through reinvestment funding and savings from the targeted closure of State Operated transitional beds. It is anticipated that 200 beds from reinvestment funds and another 200 beds from State residential reductions will be created. These are scattered-site beds typically awarded to counties via State Aid Letter or by RFP in NYC and Long Island.

HCR:

Mr. Fitzgerald stated that HCR completed its Unified Funding Round, and it saw a 25% increase in the number of projects awarded and an over 30% increase in the number of units due to the additional resources made available under the Governor's Housing Plan. Another significant increase was noted under ESSHI with a 119% increase in the number of ESSHI units assisted through HCR's funding. Five of the Unified Funding Awards were for projects that have received funding through HHAC and four others had received capital funding through the Office for Persons with Developmental Disabilities.

OASAS:

OASAS had no updates.

New/Other Business:

The next HHAC Board meeting is scheduled to take place on Wednesday, August 29, 2018* at the Media Service Center Studio, Albany, New York, at 1:30pm.

Ms. Guinn asked for a motion to adjourn. Mr. Fitzgerald made the motion, which was seconded by Mr. Hebner. The motion carried.

Adjournment:

Ms. Guinn adjourned the meeting at 2:14 PM.

*Subsequently the Wednesday, August 29, 2018 HHAC Board Meeting was canceled.

Secretary
Date of Approval