

DRAFT - 188th HHAC BOARD MEETING MINUTES

Meeting date: August 7, 2019

Call to Order:

The 188th 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 August 7, 2019. The meeting was called to order by the Deputy Commissioner of Housing, Refugee Services and Disability Determinations (HRDD) at the Office of Temporary and Disability Assistance (OTDA), Linda Glassman, as Board Chair Designee representing Board Chair Commissioner Michael P. Hein of OTDA.

Members in Attendance:

Sean Fitzgerald, Board Member Designee representing Board Member Kenneth Adams, Chairman of the NYS Housing Finance Agency (HFA), Brett Hebner, Board Member Designee representing Board Member Commissioner Ann Marie T. Sullivan of the Office of Mental Health (OMH) 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
Brian Mattiske HHAC Assistant Treasurer
Michael Washburn HHAC Comptroller
David Iorio Izzo HHAC Assistant Comptroller
Brenda McAteer HHAC Secretary
Amanda Diller HHAC Assistant Secretary
Barbara Guzman OTDA Division of Legal Affairs (DLA)
Simone Demelo OTDA DLA

1. Approval of Minutes

Ms. Glassman requested a motion to approve the minutes from the June 5, 2019 HHAC Board meeting. Mr. Fitzgerald made the motion, which was seconded by Mr. Hebner. The motion carried.

2. Vice President's (VP) Report

Ms. Greenberg presented the VP's Report and began with an overview of the status of all projects under development as of June 30, 2019, when there were 62 projects in various stages of development. Thirty-four of these projects were in construction, seven of which were over 90% complete. Furthermore, 32% of the projects in development at that time were located in New York City, 18% were in the suburban regions of Westchester, Nassau and Suffolk counties, and the remaining 50% were in the rest of the state.

3. Project-Related Milestones

a. Final Award (FAA) and Loan Agreements (FLA)

1. Breaking Ground/ BG Betances L.P. (2018-030/ HC 00969) executed a FLA on June 27, 2019. HHAC made an award reservation of \$2,700,000 in December 2018 to create 47 units of permanent supportive housing in the Bronx for homeless individuals over the age of 55. This is part of a larger 152-unit project in which the remaining 104 units will be reserved for low-income elderly. There is also a superintendent's unit. Other sources of development funding include a NYC Housing Development Corporation (HDC) first mortgage, HDC subsidy loan, funding through NYC Housing Preservation and Development Senior Affordable Rental Apartments (HPD SARA) program, Low Income Housing Tax Credit (LIHTC) equity, a sponsor loan and GP equity, a deferred developer's fee, a deferred reserve deposit and accrued interest, bringing the total project cost to \$98,188,375. Amanda Diller is the project manager.
2. New Destiny Housing Corp/ Bryant Avenue Owner LLC (2018-002/HC00966) executed a FLA on June 21, 2019. HHAC made an award reservation of \$5,776,625 in October 2018 to develop 37 units for homeless families headed by domestic violence survivors, coming directly from shelters. This is part of a 62-unit project in which the remaining 24 units will be reserved for households making no more than 50% of Area Median Income (AMI). There is one additional unit for a live-in superintendent. Other sources of development funding include: 9% LIHTC and Supportive Housing Opportunity Program (SHOP) through NYS Homes and Community Renewal (HCR), and HPD Supportive Housing Loan program (SHLP), bringing the total project cost to \$34,605,068. Brenda McAteer is the project manager.

b. Completed Projects

Breaking Ground/ La Central Supportive LP (2016-025/HC00919) obtained a Temporary Certificate of Occupancy (TCO) on June 18, 2019. Breaking Ground received a \$5,900,000 HHAP award reservation in December 2016 to develop 97 units of permanent supportive housing for homeless singles in the Bronx. This is part of a larger 161-unit/162 bed project. Twenty-nine units are reserved for individuals who are chronically homeless, and 68 units are reserved for individuals who are chronically homeless and living with HIV/AIDS. The remaining 63 units are designated as low-income community units for single adults with incomes at or below 60% AMI. One additional unit will be set-aside for the live-in superintendent. Other sources of development funding include Housing Finance Agency (HFA) Bond financing and 4% LIHTC, HFA SHOP, accrued interest, HPD SHLP, NYC Office of Environmental Remediation (OER), and a deferred developer's fee, for a total project cost of \$67,006,528. Amanda Diller is the project manager.

c. Withdrawn

CDS Monarch, Inc. (2018-031) notified HHAC in writing on June 12, 2019 that they were surrendering their \$1,300,000 award reservation, made in December 2018. CDS intended to develop eight units of permanent housing for singles homeless veterans in Geneseo, Livingston County. Other sources of proposed development funding included Housing Trust Fund (HTF) and LIHTC from HCR, a New York State Energy Research and Development Authority (NYSERDA) grant, a CDS Wolf Foundation grant, and a deferred developer's fee, bringing the total project cost to \$11,199,523. The applicant did not secure funding in HCR's Unified Funding Round announced in May 2019.

d. Project Status 2015 and 2015 Funding Round

Ms. Greenberg provided updates on the status of two projects funded in 2015: 2015-013 North Country Transitional Living Services (TLS) and 2015-034 St. Joseph's Hospital of Yonkers. The former went out to bid for construction in February 2019 and was contemplating how best to proceed, and the latter was moving toward closing.

Two 2016 projects that were still in the pre-development stage were 2016-020 Concern for Independent Living (Concern)/Estella and 2016-037 Housing Visions (HV)/ Winston Gaskin. Both were moving toward construction closings.

Mr. Fitzgerald stated that Winston Gaskin had been delayed because it is the first project to take part in a new statutory authorization in connection with the State LIHTC. The new authorization allows the state to bifurcate and transfer the credit to a third-party investor. HCR is working through the details.

The Vice-President's Report included an update on the status of existing emergency shelter repair awards of which only one was still under review at that time.

There was no further discussion or comment.

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

4. Treasurer's Report

Mr. Mattiske 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 \$27,831,139.93. Included in this figure was \$8,218,639.00 in Medicaid Redesign Team (MRT) funds and 5,633,357.00 in Mortgage Insurance Funds (MIF).

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

5. Resolutions

a. A Resolution Regarding Limited Funding for Emergency Shelter Repairs

Ms. Roff explained that the purpose of the resolution was to authorize funding on an emergency basis for repairs to shelters up to \$100,000 per facility under current and future procurements. The officers will report to the Corporation on all affected agreements at the next Board meeting following the execution of each agreement.

Mr. Fitzgerald clarified that this was not the first resolution for this purpose. Ms. Roff confirmed this and explained this would apply to the 2019-20 funding year and carry forward thereafter. Ms. Guzman explained that the previous resolutions were only for one-year periods, but this modified resolution allows for funding to continue without having annual resolutions. Mr. Fitzgerald asked if the previous authorizations had been fully expended. Ms. Greenberg agreed with Mr. Fitzgerald's follow up statement that they had been fully committed but not fully expended.

Mr. Hebner noted that two of the awards were less than \$100,000.

There was no further discussion or comment.

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

b. A Resolution Authorizing an Extension of the Memorandum of Understanding with the Office of General Services for Internet Broadcast Services

Ms. Roff requested that the Board authorize an amendment and extension of the Memorandum of Understanding with OGS for the provision of and payment for internet broadcast services of meetings of the Corporation.

There was no further discussion or comment.

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

c. A Resolution Authorizing an Increase to a Final Award and a Contact Amendment

Ms. Greenberg asked that the Board authorize an amendment to HC00844 for additional funding in the amount of \$433,530 to Mercy Haven, Inc. With approval, the new award amount increased to \$5,172,734.

Mr. Fitzgerald asked if Mercy Haven was acting as developer. Ms. Greenberg stated that they are owner, operator, developer and support services provider. Mr. Hebner related that Mercy Haven had approached OMH as well but OMH was unable to contribute any additional funds to assist in

locating and connecting to a sewage treatment plan - which was the cause of the delay and subsequent increase in cost. OMH appreciated HHAP's assistance. Mr. Fitzgerald reported that Suffolk County recognized the challenges with sewage processing and had provided new funding to assist with sewage infrastructure to assist in new affordable housing for those with developmental disabilities.

There was no further discussion or comment.

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

6. Agency Reports

a. HCR

Mr. Fitzgerald reported that HCR made its unified funding awards in May 2019 and they have been working with all the awardees on pre-development. One project had already started construction. The majority of awardees were anticipated to close before the end of the year.

b. OMH

Mr. Hebner reported that OMH recently announced the awarding of 340 scattered-site permanent supportive housing units statewide under ESSHI for homeless individuals with mental illness. This included 90 units targeted to individuals being released from prison. OMH was also working on another RFP to provide \$50 million in capital funding, part of the Agency's efforts to establish a statewide crisis system. It is envisioned that the system will include mobile crisis, intensive and respite residential models as well as crisis stabilization centers. These crisis services would be available to anyone having a mental health crisis, including individuals housed in shelter, transitional and supportive housing. In collaboration with the ESSHI interagency workgroup, OMH was anticipating releasing the Round 4 ESSHI RFP.

c. OASAS

Mr. Williams stated that ESSHI for OASAS has opened the door to do a lot of capital projects. The relationship building with other state agencies is appreciated. OASAS locked in two projects recently with 129 units, 63 of which are ESSHI.

d. OTDA

Ms. Glassman reported that Solutions to End Homelessness Program (STEHP) awards would be released in the following month. HHAP had begun accepting applications and already had double the procurement amount in requests. Applications were still being accepted.

7. New/Other Business

The next HHAC Board meeting is scheduled to take place on Wednesday, October 30, 2019 at the Media Service Center Studio, Albany, New York, at 1:30 pm.

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

8. Adjournment

Ms. Glassman adjourned the meeting at 1:52PM.