

Draft- 208th HHAC Board Meeting Minutes

Meeting date: April 19, 2023

Call to Order:

The 208th 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 April 19, 2023. The meeting was called to order by Daniel Tietz, Commissioner of 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:

Rick Umholtz	OTDA Acting Deputy Commissioner
Dana Greenberg	HHAC President
John Cucinelli	HHAC Assistant Treasurer
Michael Washburn	HHAC Comptroller
Constance Adsitt	HHAC Assistant Comptroller
Amanda Diller	HHAC Secretary
Megan Van Geest	HHAC Assistant Secretary
Barbara Guzman	OTDA Division of Legal Affairs (DLA)

Items of Discussion:

Approval of Minutes

Commissioner Tietz requested a motion to approve the minutes of the 207th HHAC Board Meeting that took place on February 7, 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 February 28, 2023, when there were 87 projects in various stages of development. Thirty-nine of these projects were in construction, four of which were over 90% complete. Furthermore, 33% 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 53% were in the rest of the state.

Project-Related Milestones

Final Award and Loan Agreements

- Catholic Charities of Onondaga County (CCOC) (2021-044/HC01070) executed a Final Award Agreement (FAA) on January 23, 2023. CCOC received a \$1,230,769 HHAP award reservation in April 2022 for the new construction of eight units of permanent supportive housing (PSH) for chronically homeless individuals in Syracuse. The apartments are adjacent to the CCOC Housing Services Center (HSC) and shelter, integrating all of CCOC's housing and relocation services. The only other source of development funding is a sponsor contribution, for a total project cost of \$2,608,901. Sue Troiano is the project manager.
- JCTOD Outreach, Inc./Johnson Park Green Living LLC (JPGL) (2019-005/HC01073) executed a Final Loan Agreement (FLA) on February 15, 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 pandemic related increases in construction costs, for a total HHAP investment of \$5,625,000 for the new construction of 62 units, of which 31 units are PSH. Twenty-one units are for homeless individuals over the age of 55 and 10 units are for homeless single adults living with a serious mental illness (SMI). The remaining 31 units will be reserved for low-income individuals and families who earn up to 60% of the Area Median Income (AMI). Other sources of development funding include Low-income Housing Tax Credit (LIHTC) equity, Community Investment Fund (CIF), and Supportive Housing Opportunity Program (SHOP) funds from NYS Homes and Community Renewal (HCR), City of Utica HOME and American Rescue Plan Act (ARPA) funds, Community Foundation, NYS Energy Research & Development (NYSERDA) incentives, a seller's note, Solar Tax Credit Equity, and a deferred developer fee, for a total project cost of \$27,790,081. Elaine Houlihan is the project manager.
- United Veterans Beacon House, Inc. (UVBH) (2022-003S/HC01072) executed a FAA on January 25, 2023. UVBH received a \$74,591 HHAP emergency shelter repair award reservation in August 2022 for the moderate rehabilitation of their 15-bed emergency shelter for homeless adults in Suffolk County. HHAP is the only funding source. Rachel Gaffey is the project manager.

Amendments

- Equinox, Inc. (O-80/HC00374) executed a contract amendment and assigned the HHAC Note and Mortgage for 35 South Ferry Street, Albany, to Interfaith Partnership for the Homeless (IPH) (2020-052S/HC01043) on January 13, 2023. Equinox continues to provide transitional housing at 59 Dongan Street, Albany to homeless youth with five units and eight beds. HHAP's investment in this contract is \$223,388. Connie Adsitt is the project manager.

- Interfaith Partnership for the Homeless, Inc. (IPH) (2020-052S/HC01043) executed a contract amendment and assumed the HHAC Note and Mortgage for 35 South Ferry Street, Albany, from Equinox, Inc. (O-80/HC00374) on January 13, 2023. IPH was previously leasing the property for their Medical Respite emergency shelter which will be relocated to 35 South Ferry St. The shelter will have 13 units and 28 beds. The HHAC Note and Mortgage for 35 South Ferry Street has a current balance obligation of \$1,441,136. IPH previously received \$100,000 for emergency shelter repairs, bringing HHAP's total investment to \$1,541,136. Connie Adsitt is the project manager.
- New Destiny Housing Corporation (New Destiny)/Lily House (2021-030/HC00405) executed a first and second amendment to their HHAP contract on January 31, 2023, and February 24, 2023. New Destiny received a \$4,876,311 HHAP award reservation in December 2021. In October 2022, due to increases in construction costs, HHAP approved a request for an award increase of \$1,219,078. The full HHAP investment is \$10,095,389, which includes the original HHAP award reservation of \$4,000,000 made in 1998. Lily House was previously leased to another nonprofit and was operated as a domestic violence family shelter. The shelter has since relocated, leaving the building vacant to be substantially rehabbed into 30 units of PSH for homeless survivors of domestic violence in the Bronx. The only other source of funding is a Community Preservation Corporation (CPC) loan, for a total project cost of \$8,755,889. Holly Ferrara is the project manager.

There was no further discussion or comment.

Commissioner Tietz 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 \$33,929,708.86. This included \$3,248,895.15 in Mortgage Insurance Funds (MIF).

There was no further discussion or comment.

Commissioner Tietz 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 Authorizing Awards

Ms. Greenberg explained that the purpose of the resolution was to request the Board's approval of four awards from the state fiscal year (SFY) 2022-23 funding round. The awards totaled \$20,099,668 in HHAP funds to the following organizations:

- Breaking Ground II Housing Development Fund Corporation- 90 Sands Street
- Fortune Society, Inc.- The Castle IV Residence
- Transitional Services for New York, Inc. - 163rd Street Apartments
- Geel Community Services, Inc.- Geel Community Union Avenue

Two applications were reviewed and not recommended for funding at that time:

- Community Counseling and Mediation- Jackson's Place
- Christopher Community, Inc.- Tefft Meadows

These applicants will be offered technical assistance.

Commissioner Tietz commented that the 90 Sands project is a converted Jehovah's Witness owned residence that was rehabilitated into permanent housing and is one of the largest projects funded by HHAP. There was a great deal of community support behind the project.

Commissioner Tietz also commented on the Fortune Society project noting that we need more projects that house criminally involved individuals.

Ms. Greenberg noted that the SFY 2022-23 enacted State Budget contains 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. HHAC continued to accept applications through March 31, 2023, for funding under the RFP issued in September 2020.

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 closing. Working with its State and City partners, HHAC has assisted projects to fill gaps caused by these market forces. In SFY 2022-23 HHAC provided award increases to 14 projects totaling \$11,784,638. In addition, HHAP executed emergency health and safety amendments with four agencies totaling \$1 million. With approval of the HHAP awards presented today, the additional funds provided to projects in development, and amendments for health and safety concerns, the total funds committed to date is \$77,064,162. The remaining uncommitted appropriation balance of \$50,935,838 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. Greenberg reported that there were 18 applications under review at the time of the Board meeting, requesting approximately \$117 million in HHAP funding.

Ms. Greenberg 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, one application for the HIV/AIDS set-aside had been submitted and is under review. Five million dollars is also set aside for projects that will provide supportive housing for veterans. H.E.L.P Development Corp. and Helio Health were awarded veterans' set aside funding, leaving a balance in the veterans' set aside of \$2,698,190. Three applications for veterans' projects have been submitted and are under review. 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 90 units/270 beds of emergency housing.

Ms. Greenberg then reported on the geographic distribution of HHAP awards, award increases, and amendments from the current round. It is broken out as follows: 46.5% of the funding was awarded to projects in the NYC region, 49.3% to the rest of state region, and 4.2% to projects in the suburban region of Suffolk, Nassau, and Westchester counties. Of new awards made for SFY 2022-23, the geographic distribution of \$64.3 million is as follows: 50.3% of the funding was awarded to projects in the NYC region, 49.6% to projects in the rest of state region and 0.1% to projects in the suburban region. There are two applications under review for the suburban region.

Ms. Greenberg concluded her presentation by reporting on the unit distribution. The \$20.1 million in funding that was recommended at the meeting will produce 423 units of permanent supportive housing and preserve 90 units/270 beds of emergency housing. Including the recommendations made at the Board meeting today, the total number of units funded for the SFY 2022-23 are 725 units/763 beds of permanent supportive housing and 141 units/452 beds of emergency housing.

There was no further discussion or comment.

Commissioner Tietz 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 commented that the balance of \$48 million in comparison to the \$100 million in HHAP funding requests that have been received is not inclusive of the proposed state budget for the next fiscal year. There should be no concern about HHAP's ability to fund future projects.

Mr. Hebner reported a formal announcement of awards has not been released in connection with the Fall 2022 Multifamily 9% RFP. However, all 56 applications have been reviewed. Awards are expected to be reported at the next HHAC Board meeting.

Mr. Hebner reported on the 4% bond financing side, stating that the March resolution awarded more than \$443 million dollars for seven developments which will create approximately 1800 affordable units across the state, including 380 supportive units. This is coupled with \$241 million in additional government subsidy funding totaling over half a billion dollars in investments in affordable and supportive housing.

OMH

Ms. Duncan reported that OMH awarded operating funding for 300 units through their Scattered Site Supportive Housing RFP for street homeless individuals in NYC. Referrals will come from the Safe Options Support (SOS) Teams. These units are intended to follow a Housing First model.

Ms. Duncan stated that capital and operating funding awards were made to four Short-Term Transitional Residences in NYC for individuals who are being discharged from Extended Treatment inpatient units or who are street homeless. Two programs will be located in Queens, one in the Bronx and one in Brooklyn. OMH is working with awardees on identifying sites and hope to have these programs operational in the next year.

Ms. Duncan also reported that OMH awarded funding to seven new SOS Critical Time Intervention (CTI) Teams in regions outside of NYC. SOS CTI Teams will use an evidence-based CTI approach to provide intensive outreach, engagement, and care coordination to individuals experiencing street homelessness and those in need of temporary shelter. One Team was not awarded funding, but OMH is hoping to reissue the RFP.

OASAS

Mr. Ramos reported that OASAS is in the process of creating a Social Determinants of Health Bureau. OASAS is also coordinating efforts to ensure vocation and employment services are being offered to tenants in their permanent supportive housing programs.

Mr. Ramos stated there are 30 transitional safety units online with a plan to reach 70 units in the near future.

Mr. Ramos reported OASAS plans to have conversations with two ESSHI providers who have contracts in place for units about to come online.

Mr. Ramos concluded his report by stating that OASAS continues to provide technical assistance to their providers, engage in ESSHI meetings, and collaborate with OTDA and OMH, as needed.

OTDA

Mr. Umholtz stated that HHAP celebrated its 40th anniversary. Over the past 40 years, \$1.6 billion in funding has been allocated towards the development of 26,000 units (46,000 beds) of permanent, transitional, and emergency housing. The first HHAP appropriation was \$10 million.

Mr. Umholtz reported HHAP suspended accepting applications on March 31, 2023. Changes will be made to the RFP, including aligning the RFP with Executive Order 22. The RFP is expected to be released in the coming weeks and a webcast will be held to highlight the changes.

Mr. Umholtz reported that in addition to the 18 applications under review, HHAP has reviewed 20 concept papers.

Mr. Umholtz also reported that Proposals for the Operational Support for AIDS Housing (OSAH) were due April 10, 2023 and are currently under review.

Mr. Umholtz stated that the Balance of State (BoS) Continuum of Care was awarded two awards, one in Cattaraugus for approximately \$879,000 and the second in the amount of \$1.6 million to support rapid rehousing in Fulton, Montgomery, and Schoharie counties.

There was no further discussion or comment.

New/Other Business:

The next HHAC Board meeting is scheduled to take place on Wednesday, June 7, 2023, hosted by the Media Service Center Studio, Albany, New York, at 1:30 p.m.

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

Commissioner Tietz adjourned the meeting at 2:08 p.m.

Amanda Diller
HHAC Secretary

Date: