

Draft- 209th HHAC Board Meeting Minutes

Meeting date: June 7, 2023

Call to Order:

The 209th 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 June 7, 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) 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 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)
Martin Robinson	HHAP Project Manager
Doug Zimmerman	EFPR Group CPAs, PLLC

Items of Discussion:

Approval of Minutes

Mr. Umholtz requested a motion to approve the minutes of the 208th HHAC Board Meeting that took place on April 19, 2023. Mr. Hebner made the motion, which was seconded by Mr. Umholtz. 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 April 30, 2023, when there were 91 projects in various stages of development. Forty-four of these projects were in construction, three of which were over

90% complete. Furthermore, 36% of the projects in development at that time were in New York City, 13% 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

- Breaking Ground II Housing Development Fund Corporation (Breaking Ground)/BG Sutphin Owner LLC (2021-040/HC01074) executed a Final Loan Agreement (FLA) as of March 30, 2023. Breaking Ground received a \$5,725,000 HHAP award reservation in April 2022 and requested and received a \$1,000,000 award increase in January 2023 due to pandemic related increases in construction costs and interest rates, for a total HHAP investment of \$6,725,000. The project involves the new construction of 52 units of permanent supportive housing (PSH) for homeless individuals over the age of 55 living with a serious mental illness (SMI), substance use disorder (SUD), or co-occurring SMI and SUD in Jamaica, Queens. The remaining 120 units will be reserved for members of the community aged 62 and over with incomes up to 50% of the Area Median Income (AMI). There is also one unit for a live-in superintendent, for a total of 173 units. The project will be Passive House certified. Other sources of development funding include tax-exempt bond financing and 4% Low Income Housing Tax Credit (LIHTC) equity through NYS Housing Finance Agency (HFA), NYS Homes and Community Renewal (HCR) Clean Energy Initiative (CEI) and Senior Housing Program (SENR), NYC Housing Preservation and Development (HPD) Senior Affordable Rental Apartments (SARA) funding and Reso A, U.S. Environmental Protection Agency (EPA) Revolving Loan Fund, a sponsor loan, a Community Health Network (CHN) contribution, developer funded three month reserve, accrued interest, and a deferred developer's fee, for a total project cost of \$141,770,093. Amanda Diller is the project manager.
- CAMBA Housing Ventures, Inc. (CHV)/CHV 329 Clarkson Avenue L.P. (2021-046/HC01076) executed a FLA on March 30, 2023. CAMBA received a \$9,928,000 HHAP award reservation in June 2022 and requested and received a \$72,000 award increase in January 2023 due to an increase in the project size and pandemic related increases in construction costs, for a total HHAP investment of \$10,000,000 for the new construction of 328 units, 164 of which are PSH. Fifty-nine units are for chronically homeless families, 35 units are for homeless individuals re-entering the community after incarceration, 35 units are for homeless youth, and 35 units are for homeless youth aging out of foster care in Brooklyn. The remaining 164 units will be reserved for low-income individuals and families who earn up to 30%, 40%, 50% or 70% of the AMI, with one unit for the building superintendent, for a total of 328 units. Other sources of development funding include 4% tax-exempt bond financing and LIHTC equity through HFA, CEI, Community Investment Fund (CIF), Federal Housing Trust Fund (HTF) and SHOP from HCR, Federal Home Loan Bank (FHLB) New York Affordable Housing Program (AHP), Con Edison Vault funding; accrued interest, a deferred developer's fee,

sponsor loan from the developer's fee, a sponsor loan for reserves, special limited partner and managing general partner contributions, and an additional sponsor loan, for a total project cost of \$237,907,903. Connie Adsitt is the project manager.

- Christopher Community, Inc./Community View, Associates, L.P. (2021-049) executed a FLA on April 27, 2023. Christopher Community received a \$2,771,200 HHAP award reservation in June 2022 for the new construction of 20 units of PSH for homeless frail elderly individuals as well as homeless individuals living with a disability, in Morrisville, Madison County. The remaining 41 units will be reserved for low-income individuals who earn between 30% and 60% of the AMI, for a total of 61 units. Other sources of development funding include LIHTC equity and SHOP from HCR, a New York State Energy Research and Development Authority (NYSERDA) grant, and a deferred developer's fee, for a total project cost of \$18,953,429. Michael Riley is the project manager.
- Concern for Independent Living (Concern)/Estella Housing LLC (2016-020/HC01078) executed a FLA on March 30, 2023. Concern received a \$5,750,000 HHAP award reservation in October 2016 and requested and received a \$2,841,158 award increase in January 2023 due to delays in obtaining a PILOT agreement and pandemic related increases in construction costs. The total HHAP investment is \$8,591,158 for the new construction of 96 units, of which 42 units are PSH. Thirty units are for homeless adults living with a SMI and 12 units are for homeless veterans. The remaining 53 units are for low-income individuals and families earning less than 60% of the AMI, with one unit for the building superintendent, for a total of 96 units. Other sources of development funding include tax-exempt bond financing and 4% LIHTC equity through HFA, HTF and SHOP from HCR, a NYS Office of Mental Health (OMH) Program Development Grant (PDG), a loan from the Nassau County Regional Economic Development Council (REDC), a sponsor loan, and a deferred developer's fee, for a total project cost of \$67,538,980. Megan Van Geest is the project manager.
- Concern/ Concern Logan LLC (2021-014/HC01079) executed a FLA on April 19, 2023. Concern received a \$6,450,000 HHAP award reservation in August 2021 and requested and received a \$1,175,000 award increase in December 2022 due to increases in loan interest rates and pandemic related increased construction costs. The total HHAP investment of \$7,625,000 will create 40 units of PSH. Twenty-five units are for homeless adults living with a SMI and 15 units are for homeless veterans. The remaining 25 units are for low-income individuals and families earning less than 60% of the AMI, with one unit for the building superintendent, for a total of 66 units. Other sources of development funding include 9% LIHTC equity, HTF, and SHOP from HCR, a NYS OMH PDG, a loan from Leviticus Fund, a sponsor loan, and a deferred developer's fee, for a total project cost of \$43,194,196. Ryan Szalkowski is the project manager.
- Genesis House of Olean (Genesis House) (2018-062S/HC01075) executed a Final Award Agreement (FAA) on March 17, 2023. Genesis House received \$86,480 in emergency shelter repair funds in September 2019 for the moderate rehabilitation of an existing 12-bed emergency shelter. The repairs include updating the heating and cooling

system, installing a new water heater, improving insulation, updating the bathroom, installing LED lighting throughout the home and safety lighting outside, updating the electrical system, and installing new smoke/carbon monoxide detectors. Heather Lombardo is the project manager.

- St. Paul's Center, Inc. (2020-027/HC01077) executed a FAA on March 22, 2023. St. Paul's Center received a \$4,077,391 HHAP award reservation in February 2021 and requested and received a \$1,019,347 award increase in October 2022 due to pandemic related increases in construction costs. The total HHAP investment is \$5,096,738 for the substantial rehabilitation of "Housing Options" in the town of Colonie. Housing Options will provide 16 units of PSH for homeless individuals aged 55 and older. Other sources of development funding include a sponsor contribution and a construction loan, for a total development cost of \$6,971,738. Elaine Houlihan is the project manager.

Completed

- Catholic Charities of Onondaga County (CCOC)/Housing Services Center and Shelter (2021-038/HC01064) received a Certificate of Occupancy (CofO) on March 22, 2023, and a ribbon-cutting ceremony was held on May 23, 2023. CCOC received a \$5,943,429 HHAP award reservation in February 2022 for acquisition, construction, and rehabilitation costs to relocate its existing men's shelter from downtown to East Syracuse. The new shelter provides 80 beds of emergency housing for homeless individuals in Onondaga County. Other sources of development funding include Onondaga County funding, U.S. Department of Housing and Urban Development (HUD) funds, and a sponsor contribution, for a total development cost of \$11,934,316. Elaine Houlihan is the project manager.
- Delta Development of Western NY, Inc. (Delta)/Angela's House, LLC (2019-003/HC01011) received a Temporary Certificate of Occupancy (TCO) on March 3, 2023 and held a ribbon-cutting ceremony on May 11, 2023. Delta received a \$3,692,030 HHAP award reservation in October 2019 for the substantial rehabilitation of one wing of a large mixed-use building that created 21 units of PSH for homeless individuals aged 55 and over and 46 units for low-income individuals in Cheektowaga, Erie County. Other sources of development funding include LIHTC and SHOP funds from HCR, Federal and State Historic Tax Credits, Cheektowaga HOME Funds, a deferred developer's fee, and a NYSEERDA incentive, for a total project cost of \$22,884,200. Heather Lombardo is the project manager.
- Greater Opportunities for Broome and Chenango, Inc. (Greater Opportunities) (2019-004/HC01014) received a TCO on March 31, 2023. Greater Opportunities received a \$7,536,570 HHAP award reservation in October 2019 for the rehabilitation of 27 units of PSH in Binghamton. Six units are reserved for homeless individuals and families where the head of household is living with a SMI, six units for homeless individuals and families where the head of household has a SUD, five units for survivors of domestic violence, two units for homeless youth aging out of foster care, two units for

homeless young adults ages 18-25, three units for homeless individuals who were formerly incarcerated, and three units for homeless veterans. Other sources of development funding include funding from the City of Binghamton, for a total project cost of \$8,113,547. Matthew Ciulla is the project manager.

Mr. Hebner commented that CHV Clarkson is a Vital Brooklyn project.

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

Comptroller's Report

Mr. Washburn explained that Public Authorities Law (PAL) requires State and Local Authorities to file specific financial and budgetary information with the NYS Authorities Budget Office (ABO), as well as to report property transactions, debt issuances, and other information on their operations. These reports must be submitted by June 30, 2023, which is 90 days after the end of HHAC's fiscal year, through the Public Authorities Reporting Information System (PARIS) and posted on the Office of Temporary and Disability Assistance (OTDA) website. The law also required documents to be approved by the Board prior to submitting the reports.

Mr. Washburn introduced Mr. Doug Zimmerman of EFPR Group, CPAs, PLLC to present the SFY 2022-23 Audit & Report for HHAC. Mr. Zimmerman provided an overview and summarized the Report and the financial statements to the Board. Mr. Zimmerman stated that no issues were identified in the financial statements and the audit resulted in an "unqualified opinion" also known as a clean opinion.

Mr. Washburn then presented the Annual Investment Report and the Schedule of Investments. Mr. Washburn shared that there have been no changes in the Investment Policy from previous years but there was a change in HHAC's Annual Investment Report and Schedule of Investments. Investments continued in the money market but the amount available for investing remained consistent with previous years.

Mr. Washburn reported HHAC's Procurement Guidelines for the use, awarding, monitoring, and reporting of procurement contracts. These guidelines also have not changed from previous years.

Mr. Washburn asked if there were any questions or comments. There were none.

The first resolution was 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 ,

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

Mr. Washburn reported that the Guidelines for the Disposition of Property and the Report on the Disposition of Property had not changed from previous years. HHAC did not own or dispose of any property during FY 2022-23.

The second resolution was introduced:

A Resolution of the Homeless Housing and Assistance Corporation Establishing Guidelines for the Disposition of Property and Approving a Report on the Disposition of Property.

Mr. Umholtz requested a motion to approve the resolution on the disposition of property. Mr. Hebner made the motion, which was seconded by Mr. Umholtz. 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 \$32,633,295.72. This included \$9,864,125.59 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 Mr. Umholtz. The motion carried.

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

Mr. Robinson presented the following project to the Board:

- Project Name: The Salvation Army 2022-017

Mr. Robinson reported that The Salvation Army project was classified as unlisted. After performing an evaluation and review of the proposed action it was determined that The Salvation Army project will not result in any significant adverse environmental impacts and therefore, a conditional Negative Declaration is recommended at this time, with the expectation that the sponsor comply with the mitigation measures set forth in the Letter of Resolution, signed by the Department of Environmental Conservation, the State Historic Preservation Office, and the sponsor itself.

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 Mr. Umholtz. 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 three awards from the state fiscal year (SFY) 2022-23 funding round. The awards totaled \$21,190,005 in HHAP funds to the following organizations:

- DePaul Properties, Inc.- Granary Apartments
- Community Access Inc.- River II
- Thankful Community Development Corporation- Thankful Gardens

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

- Standing Together Effectively for People by Standing Together Effectively for People, Inc. (S.T.E.P by S.T.E.P)/Lincoln School Apartments Program (LSAP)
- PathStone Housing Action Corporation/Parcel 7
- Rochester Housing Authority/Rosewood Estates
- Family Enrichment Network, Inc./Hope Haven

These applicants will be offered technical assistance.

Ms. McAteer 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. A new RFP was issued on May 4, 2023, with applications being accepted starting May 25, 2023.

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 18 projects totaling \$13,648,549. 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 \$100,218,078. The remaining uncommitted appropriation balance of \$27,781,922 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 reported that there were 10 applications under review at the time of the Board meeting, requesting approximately \$74,333,006 million in HHAP funding.

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, one application for the HIV/AIDS set-aside had been submitted but was not awarded funding. 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 previously awarded veterans' set aside funding. Community Access was awarded a prorated amount at this Board meeting, leaving a balance in the veterans' set aside of \$2,207,216. 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/12 beds of emergency housing.

Ms. McAteer then reported on the geographic distribution of HHAP awards, award increases, and amendments from the current round. It is broken out as follows: 46.1% of the funding was awarded to projects in the NYC region, 50.3% to the rest of state region, and 3.6% to projects in the suburban region of Suffolk, Nassau, and Westchester counties.

Ms. McAteer concluded her presentation by reporting on the unit distribution. The \$21.2 million in funding that was recommended at the meeting will produce 208 units/359 beds of permanent supportive housing and preserve one unit/12 beds of emergency housing.

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 Mr. Umholtz. The motion carried.

Agency Reports:

HCR

Mr. Hebner reported that the 9% awards were announced which included 20 projects with one in each of the 10 Regional Economic Council Regions. The awards totaled over \$162 million in subsidy loans as well as state and federal tax credits equating to \$320 million in tax credit equity. These projects will produce over 1300 units and include six awards that are in partnership with HHAP.

Mr. Hebner reported that three projects were approved at the April 2023 HFA meeting for 4% financing. Financing included \$224 million in affordable housing bonds and \$97 million in subsidy to create or preserve 589 affordable units including 191 supportive units.

Mr. Hebner went on to highlight two of these bond deals. The first was a long-awaited project in Long Island which was structured as a limited equity Co-op. The project includes eight units of housing for individuals with intellectual and developmental disabilities. The second was HCR's first project funded under the Housing Our Neighbors with Dignity Act (HONDA), the hotel conversion program funded in the last state budget. This funding will convert the 300-unit JFK Hilton into affordable housing units.

OASAS

Mr. Ramos reported that OASAS continues to provide technical assistance to their providers and work with the ESSHI workgroup and sister agencies on the round eight RFP.

OTDA

Mr. Umholtz thanked the team who worked on the financial and audit report as well as the Bureau staff who continue to travel and meet with providers throughout the state

Mr. Umholtz reported on funding opportunities available through OTDA; recommendations were in the final stage of review for the Operational Support for AIDS Housing (OSAH) program; Emergency Needs for Homeless Program (ENHP) funding recommendations were in development; Housing Opportunities for Persons with AIDS (HOPWA) RFP was in development and will be released in the upcoming weeks.

Mr. Umholtz explained that the Balance of State is in the planning stages to meet the Housing and Urban Development (HUD) Notice of Funding Availability (NOFA) competition. Renewal applications were submitted for review.

Mr. Umholtz reported that this year's state budget included funding for the expansion of legal services to include the NYC area. Funding recommendations to advance the \$50 million in available funding were in development.

In conclusion, Mr. Umholtz stated that work is being done on the round eight ESSHI RFP.

There was no further discussion or comment.

New/Other Business:

The next HHAC Board meeting is scheduled to take place on Wednesday, August 2, 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 Mr. Umholtz. The motion carried.

Mr. Umholtz adjourned the meeting at 2:20 p.m.

Amanda Diller

Date:

HHAC Secretary