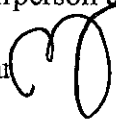




NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: The Chairperson and Members

From: Marc Jahi 

Subject: Approval of Additional Co-Manager for the Corporation's Bond Issuances

Date: September 18, 2013

As the Members are aware, the Corporation issued a Request for Proposal ("RFP") for managing underwriters in December 2011 and the Members approved an authorizing resolution selecting a diverse roster of underwriters for the Corporation's Multi-Family Housing Revenue Bond program ("Open Resolution"), Multi Family Secured Mortgage Revenue Bond program ("Mini-Open"), and stand-alone debt in June 2012 (original memo attached). During the evaluation process, the Review Committee (described in the memo) invited firms to interview for Senior Manager after careful research, discussion and analysis.

After further assessment, the Review Committee recommended a balanced group of underwriters ranging from small regional firms to the nation's largest investment banks, with the understanding that the Committee would continuously review our underwriting group. In its assessment process, the Corporation was particularly focused on the appointment of Minority and Women Business Enterprise ("MWBE") and Disabled Veteran's Business Enterprise ("DVBE") firms to its underwriting team. As a result of this ongoing monitoring, the Review Committee came to consensus that a new Co-Manager should be added to the group to provide further depth and breadth to future underwritings, and expand the Corporation's business relations.

In June 2012, Academy Securities, a DVBE firm, contacted the Corporation regarding a potential role as an underwriter for future bond issues. At that time, Academy Securities had recently received FINRA approval to underwrite and trade municipal securities and the Corporation had just completed its review of underwriters. We asked them to contact us in a year's time.

Academy was founded in 1985 as LaSalle Brokerage Services, Inc. and was later acquired by R. Chance Mims, a U.S. Military veteran, along with Pickwick Capital Partners LLC, a New York based boutique investment bank. Mr. Mims serves as Academy's Chief Executive Officer and has recently helped the firm obtain FINRA approval to underwrite and trade municipal securities. Academy had its formal entrance into the municipal bond market in January 2012, when the firm was appointed to the California State Treasurer's Pool of Underwriters and shortly thereafter participated as a Co-Manager with J.P. Morgan on a \$220,000,000 California State Department of Veteran Affairs bond issue. Additionally, Academy has recently acted as the Co-Senior manager for a \$50 million MTA competitive bond issue. The firm's net capital is \$2,114,239, with underwriting capacity up to \$35,000,000.

During the past year, Academy Securities has expanded its number of senior bankers with housing finance experience, in addition to opening a New York office. Likewise, the municipal bond team has grown to 17 staff members during the past three years. The municipal finance bankers at Academy Securities have a significant amount of experience working on behalf of local and state housing bond issuers. Managing Director Frank Paul has served as the senior banker for a variety of housing bond issuers throughout the nation and has over 30 years of experience working in Public Finance. Similarly, Director Francis McKenna has been a municipal finance banker for over 30 years and has served as part of the management team for such housing issuers as the New York City HDC, NYS HFA, and SONYMA. Although Academy is relatively new to the municipal market, the firm has established an impressive distribution network, highlighted by designations from over 35 institutional investors in their institutional orders for municipal transactions.

In September 2012, Academy Securities announced a mentor/protégé relationship with J.P. Morgan. This U.S. Treasury program is intended to provide small businesses with capital access and training as well as ongoing consultation with business and organizational management.

It is the recommendation of the Review Committee that the Corporation add Academy Securities to the group of Co-Managers available to underwrite upcoming Corporation bond issuances.

The members are requested to approve a resolution that provides for the adoption of the recommendation of the Review Committee pertaining to the addition of this firm as set forth in this memorandum.