



Minutes
of the Meeting of the
New York City Housing Development Corporation

June 4, 2024

A meeting of the Members of the New York City Housing Development Corporation was held on Tuesday, June 4, 2024, at the office of the Corporation, 120 Broadway, 2nd Floor, New York, New York. The meeting was called to order at 12:00 p.m. by the Chairperson Adolfo Carrión Jr., who noted the presence of a quorum. The Members present were Charles G. Moerdler, Jacques Jiha, Preston Niblack, and Denise Scott. The Members absent were Harry E. Gould and Mark Norman. A list of observers is appended to these minutes.

The Chairperson stated that the first item on the agenda would be the approval of the minutes of the meeting held on March 27, 2024.

Upon a motion duly made by Mr. Jiha, and seconded by Ms. Scott the Members unanimously:

RESOLVED, to approve the minutes of such meeting.

The Chairperson stated that the next item on the agenda would be the President's Report and called upon Mr. Enderlin to make his presentation.

Mr. Enderlin thanked the Chairperson and Board Members for joining the meeting and welcomed the partners who had joined the meeting in-person and virtually.

Mr. Enderlin stated that there was a full agenda to get through this afternoon and that HDC had been busier than ever. The Members would first be presented with brief reports from the HDC Governance and Audit Committees. He stated that he wanted to take a moment to acknowledge that during this morning's Audit Committee meeting, HDC had the privilege of receiving a final presentation from its esteemed colleague, Mary John. After an impressive 38 years of service to HDC, Ms. John would be retiring in July. Throughout her remarkable tenure, Ms. John had played a vital role in advancing HDC's mission. He added that since joining the Corporation in 1986, Ms. John has held a range of positions in the accounting team, advancing to her current role as a Senior Officer of the Corporation in 2021. Through her work, Mary had demonstrated a track record of excellence and steadfast dedication to the betterment of New York City. He said that he wanted to express his heartfelt gratitude to Ms. John for her unwavering commitment to HDC and extend his best wishes to her as she embarks on this new chapter of her life in retirement.

Mr. Enderlin stated that following the presentations from the Governance and Audit Committees, he would present for the Members' approval the appointment of Wanjiru Bila as HDC's Executive Vice President of Asset Management. After Terry Gigliello's recent retirement, HDC conducted an extensive recruitment effort to find the right candidate to fill this executive

leadership position within HDC's largest division. Mr. Enderlin stated that he was excited to welcome and introduce the Members to Wanjiru Bila, who had joined in person. He said that he would like to extend his appreciation to the entire Asset Management team, which throughout this transition had carried out its critical work with incredible professionalism and without skipping a beat.

Mr. Enderlin stated that next on the agenda, HDC's Executive Vice President & General Counsel Susannah Lipsyte would present for the Members' approval, an Amendment to the By-Laws of the Corporation. Then said he would then present a related appointment of the Corporation's colleague, Mary Hom, as Chief Risk Officer of the Corporation.

Mr. Enderlin stated that HDC would then turn to Senior Vice President for Development Lauren Connors who would seek the Members' approval of an Authorizing Resolution that would enable the financing of various affordable housing developments throughout the city, as well as more than 1,900 units of public housing across the PACT BBM and Sack Wern developments in the Bronx, and the PACT West Brighton development in Staten Island.

Mr. Enderlin stated that Ruth Moreira, HDC's First Executive Vice President, would then seek the Members' approval of an Authorizing Resolution related to the financing of the aforementioned West Brighton and BBM developments through the Housing Impact Resolution.

Mr. Enderlin stated that Lauren Connors would then present for the Members' approval two Declaration of Intent Resolutions. One, for a proposed new construction development that would ultimately deliver 371 affordable homes to the increasingly high-cost Red Hook neighborhood of Brooklyn; and another, that would enable the rehabilitation of more than 1,500 homes at the Linden Plaza Mitchell-Lama development in East New York, Brooklyn.

Mr. Enderlin stated HDC's Executive Vice President for Capital Markets and Investments Ellen Duffy, would then request the Members' approval to provide funding to the NYC Housing Assistance Corporation, which would help to ensure housing stability for 55 households residing at the Ruppert Yorkville Towers Mitchell-Lama development in Manhattan.

Mr. Enderlin stated that the Members would then hear from Michael Rose, Vice President for Preservation Development, who would present for their approval the funding of two HPD Swap Initiatives.

Mr. Enderlin stated, that finally, HDC Executive Vice President & Chief Financial Officer Cathy Baumann would present for the Members' approval, the filing of a proposed budget and financial plan for Fiscal Year 2025.

Mr. Enderlin stated that today's extensive agenda highlights the ongoing commitment of the HDC team in tackling our city's housing crisis with innovative solutions, including both the preservation and construction of affordable housing, as well as the protection of our city's public housing stock. He stated that none of this work would be possible without the unwavering support of HDC's Board of Directors and the collaboration of so many talented colleagues across the

affordable housing industry. He extended his gratitude to each of the Members present for their contributions in furthering HDC's shared mission to create a more affordable and inclusive city.

Mr. Enderlin turned it back to the Chairperson, to kickoff today's agenda.

The Chairperson stated that he wanted to thank Mr. Enderlin and the team at HDC. He said that our partnership and what we have done over the calendar year and two fiscal years to climb out of COVID and the challenges that COVID presented us had been extraordinary. He said that the work had turned us around as a City. He stated that in spite of the fact that we are facing a 1.4% vacancy rate in our rental market, the rebound in the production of affordable housing had been tremendous. The Chairperson thanked Ms. John on behalf of the Board and the People of the City of New York, he stated that 38 years was a little while and she gave that time of her life and her professional talents to the people of the City.

The Chairperson stated that the next item of business would be the report of the Governance Committee and called upon Ms. Scott to advise the Members regarding this item.

Ms. Scott stated that the Governance Committee met prior to this meeting at which time an amendment to the Corporation's By-Laws and the terms of employment for Wanjiru Bila as an Executive Vice President for Asset Management of the Corporation were discussed and approved. Ms. Scott stated that the amendment to the By-Laws and Ms. Bila's appointment would both be presented for the full Board's approval later in this meeting. Ms. Scott stated that the actions of the Governance Committee with respect to the terms of employment for Ms. Bila as Executive Vice President for Asset Management must be ratified by the HDC Board.

The Chairperson called for a motion to ratify the terms of employment for the Executive Vice President for Asset Management.

Upon a motion duly made by Mr. Jiha, and seconded by Mr. Moerdler, the Members unanimously:

RESOLVED, to ratify the terms of employment for the Executive Vice President for Asset Management of the Corporation that were just approved by the Governance Committee.

The Chairperson stated that the next item on the agenda would be the approval of an Executive Vice President for Asset Management of the Corporation and called upon Mr. Enderlin for this presentation.

Mr. Enderlin stated that he was pleased to recommend that the Members approve the appointment of Wanjiru Bila as Executive Vice President for Asset Management of the New York City Housing Development Corporation. Mr. Enderlin stated that Ms. Bila held numerous positions primarily involving asset management and operations in affordable housing, public housing, and economic development. He stated that Ms. Bila currently serves as Executive Advisor to the Chief Operating Officer at the New York City Housing Authority ("NYCHA"). Ms. Bila also previously served as NYCHA's Vice President for Public Housing Operations. Prior to NYCHA, Ms. Bila held several positions at the New York City Department of Housing

Preservation and Development (HPD), including Assistant Commissioner, and Director of Finance in the Office of Asset and Property Management.

Mr. Enderlin stated that Ms. Bila also had work experience in the economic development sector in Ontario, Canada, as Team Leader at the Ontario Ministry of Transportation, Senior Economist at the Ontario Ministry of Infrastructure, Policy Specialist at the Ontario Ministry of Energy & Infrastructure, and Senior Analyst at Altus Group Economic Consulting.

Ms. Bila held a Bachelor of Science in Economics and Computer Science from Trent University and a Master of Arts in Economics from the University of Saskatchewan.

Mr. Enderlin stated that he was formally recommending Ms. Bila be appointed Executive Vice President for Asset Management. With the Members approval, Ms. Bila's appointment would be effective as of her anticipated start date in July of 2024, with the employment terms that were presented to the Members of the Corporation's Governance Committee prior to the HDC Board Meeting.

Upon a motion duly made by Mr. Jiha, and seconded by Ms. Scott, the Members unanimously:

RESOLVED, the appointment of Wanjiru Bila as Executive Vice President for Asset Management.

The Chairperson stated that the next item on the agenda would be an amendment to the Corporation's By-Laws and called upon Susannah Lipsyte to make this presentation.

Ms. Lipsyte stated that she was pleased to recommend that the Members approve an amendment to the By-Laws of the New York City Housing Development Corporation, which provides for the addition of a Chief Risk Officer as an Officer of the Corporation. She stated that before the Members was one copy of the By-Laws with the proposed amendment and one black-lined copy indicating the recommended change to the existing By-Laws. She stated that this amendment was an effort to conform the HDC By-Laws to the REMIC By-Laws, which had a Chief Credit Officer as an Officer position for many years and which, as of this morning, has a Chief Risk Officer position. Prior to this meeting, the REMIC Board approved an amendment to the REMIC By-Laws to change the title to Chief Risk Officer, to more closely align with how the position operates, she stated.

Ms. Lipsyte stated that HDC has had a Chief Risk Officer and before that a Chief Credit Officer leading its Credit Committee and, more recently, also leading the Corporation's Internal Audit department. She stated that this role has not been a formal Officer position in the HDC By-Laws. The amendment before the Members formalizes the role as an Officer of the Corporation, and adding a Chief Risk Officer to the HDC By-Laws was a continuation of our work over the past couple of years to build our senior team and recognize the importance of certain key roles as the Corporation grows.

Ms. Lipsyte stated that subject to the Members' approval of the Amendment to the By-Laws, we would be presenting under a separate agenda item a recommendation to appoint Mary Hom, who has been serving in this role for many years, to the position of Chief Risk Officer.

Upon a motion duly made by Mr. Moerdler and seconded by Ms. Scott the Members unanimously:

RESOLVED, approval of the amendment to the By-Laws of the Corporation.

The Chairperson stated that the next item on the agenda would be the appointment of a Credit Risk Officer, and again called upon Mr. Enderlin to make this presentation.

Mr. Enderlin stated that he was pleased to recommend that the Members approve the appointment of Mary Hom as Chief Risk Officer of the New York City Housing Development Corporation.

Mr. Enderlin stated that the Chief Risk Officer was an existing role in the Credit Risk Department of the Corporation that, until now, had not been a formal Officer position in the By-Laws of the Corporation. He stated that pursuant to a separate agenda item, the Members were being asked to amend the HDC By-Laws to add a Chief Risk Officer as an Officer of the Corporation. He stated that Ms. Hom had been steadfastly serving in this capacity, originally as Chief Credit Officer leading the Corporation's Credit Committee since October 2015 with rigor and thoughtfulness and more recently, with the additional responsibility of the Corporation's Internal Audit Department, as Chief Risk Officer since January, 2019 guiding the Corporation with her strong analytical skills and unwavering dedication to the protection of HDC's interests. Prior to her role as Chief Risk Officer, Ms. Hom served as Deputy Director of Credit Risk from March, 2004 to October, 2015.

Mr. Enderlin stated that Ms. Hom joined HDC in 2004 with over 15 years of credit experience in the private sector, which included serving as Director at Westmoreland Capital Management LLC, as an officer at IntesaBCI, SpA, (now known as Intesa Sanpaolo) and serving as First Vice President with UBS Global Asset Management. Ms. Hom has her B.A. in Business Economics from Brown University.

Mr. Enderlin stated that in recognition of her performance and leadership in the credit risk area, he was recommending that she be appointed Chief Risk Officer of the Corporation. He noted that with the Members' approval, Ms. Hom's appointment would be effective as of June 4, 2024.

Upon a motion duly made by Mr. Jiha and seconded by Ms. Scott the Members unanimously:

RESOLVED, the appointment of Mary Hom as Chief Risk Officer.

The Chairperson stated that pursuant to the Public Authorities Accountability Act, and for purposes of discussing the next items on the agenda, the Corporation would now commence the meeting of HDC's Finance Committee.

The Chairperson stated that the next item on the agenda would be the Approval of an Authorizing Resolution relating to Multi-Family Housing Revenue Bonds, 2024 Series B Bonds and 2024 Series C Bonds in an amount not expected to exceed \$759,800,000, and Approval of Mortgage Loans and called upon Lauren Connors, Senior Vice President for Development, to make that presentation.

Ms. Connors referred the Members to the memorandum before them entitled “Approval of an Authorizing Resolution relating to Multi-Family Housing Revenue Bonds, 2024 Series B Bonds and 2024 Series C Bonds in an amount not expected to exceed \$759,800,000, and Approval of Mortgage Loans” (the “Open Resolution Memorandum”) dated May 28, 2024.

Ms. Connors stated that she was pleased to recommend that the Members approve the issuance of the Corporation’s Multi-Family Housing Revenue Bonds, 2024 Series B Bonds and 2024 Series C Bonds in an amount not expected to exceed \$759,800,000. Ms. Connors stated that the Bonds, together with the Corporation’s unrestricted reserves and available funds of the Open Resolution, were expected to be used to finance the construction, acquisition, rehabilitation and/or permanent financing of certain projects, and other activities described in the Open Resolution Memorandum.

Ms. Connors stated that interest on the 2024 Series B Bonds was expected to be exempt from Federal and New York State and local income tax and such bond series would qualify as tax-exempt private activity bonds with a combination of an allocation of new private activity bond volume cap and an allocation of “recycled” volume cap. Ms. Connors stated that interest on the 2024 Series C Bonds was not expected to be exempt from Federal income tax but was expected to be exempt from New York State and local income tax. She stated that the anticipated interest rates, maturity dates, and other relevant terms of the Bonds were described in the Open Resolution Memorandum.

Ms. Connors stated that Members were also being asked to authorize the Corporation to enter into one or more stand-by bond purchase agreements or other facilities to provide liquidity to pay the purchase price of Bonds in the event of a failed remarketing provided by State Street Bank and Trust Company for variable rate obligations issued from time to time in the Open Resolution.

Ms. Connors stated that an Authorizing Resolution would authorize the 360th through 363rd Supplemental Resolutions.

Ms. Connors stated that it was anticipated that all or a portion of the proceeds of the 2024 Series B Bonds together with available monies of the Open Resolution and/or the Corporation’s unrestricted reserves, would be used to finance all or a portion of the mortgage loans for eight (8) developments. Ms. Connors stated that the proceeds would create approximately 1,205 new rental homes in the Bronx and Brooklyn.

Ms. Connors stated that it was also anticipated that a portion of the proceeds of the 2024 Series B Bonds, together with available monies of the Open Resolution and/or the Corporation’s unrestricted reserves, would be used to finance the SUN Loan for the PACT Sack Wern, PACT

West Brighton, and PACT Boston Secor, Boston Road Plaza, and Middletown Plaza developments.

Ms. Connors stated that it was anticipated that a portion of the proceeds of the 2024 Series C Bonds together with available monies of the Open Resolution and/or the Corporation's unrestricted reserves would be used to finance all or a portion of the mortgage loans for five (5) developments. Ms. Connors stated that the proceeds would be used to rehabilitate or create approximately 510 existing and new rental homes in Queens and the Bronx. Ms. Connors stated that a portion of the proceeds would also provide additional financing for 95 existing units in Brooklyn which the Members had previously approved.

Ms. Connors stated that for more information on these developments, please see Attachments 1 – 12 of the Open Resolution Memorandum.

Ms. Connors stated that it was anticipated that an additional portion of the proceeds of the 2024 Series C Bonds would be used to re-leverage certain assets that are currently held under the Open Resolution and to leverage certain assets held by the Corporation to lock in funding at current rates. Ms. Connors stated that the issuance of such 2024 Series C Bonds would allow for replenishment of the Corporation's reserves, which could then be re-lent to new developments in furtherance of the Corporation's commitment to the City's housing plan. Ms. Connors stated that it was also anticipated that the remaining portion of the proceeds of the 2024 Series C Bonds would be used for future lending.

Ms. Connors stated that the Members were being asked to authorize the issuance of the Bonds pursuant to multi-modal Supplemental Resolutions. She stated that all or a portion of the Bonds may be converted to other interest rate modes provided for in the Supplemental Resolutions such as a fixed rate or variable rate.

Ms. Connors stated that it was anticipated that a portion of the Bonds would initially be issued as tax-exempt, fixed-rate bonds to finance the short and long-term portion of mortgage loans.

Ms. Connors stated that it was anticipated that an additional portion of the Bonds may be issued as taxable fixed-rate bonds to finance all or a portion of mortgage loans or for future lending.

Ms. Connors stated that it was also anticipated that the 2024 Series B-3 Bonds may initially be issued as tax-exempt, variable rate demand bonds to finance a portion of long-term senior mortgage loans. She stated that it was anticipated that a portion of the 2024 Series C Bonds may be issued as variable rate, SOFR-index bonds expected to be purchased by the Federal Home Loan Bank of New York.

Ms. Connors stated that in order to manage the interest rate risk associated with the variable rate portion of the Bonds, the Corporation was working with Mohanty Gargiulo LLC as its hedge advisor and expects to enter into one or more interest rate hedging instruments.

Ms. Connors stated that more detail on the developments as well as State Street, the bond underwriters, risks, fees and credit ratings associated with the bonds are outlined in the Open Resolution Memorandum.

Mr. Moerdler asked, with respect to Attachment 11 (“BR Affordable”) of the Open Resolution Memorandum, what the income restriction is for the units that are not Section 8.

Ruth Moreira, Executive Vice President for Development stated that this was an existing development, and the residents were already in there at the current income levels.

Mr. Moerdler asked, with respect to Attachment 4 (“SDV Highbridge”) of the Open Resolution Memorandum, which agency will be supervising the income level compliance between 60% and 80% AMI ? Ms. Moreira stated that this development would be financed under the ELLA program, so there would be various tiers at different levels and HDC’s Asset Management Compliance group is the regulatory agency and would be monitoring the compliance and income levels on those developments. Ms. Moreira stated that the unit mix is pursuant to the term sheet and the regulatory agreement of 35 years. Mr. Moerdler stated that on five floors there would be a transitional shelter and wanted to know what arrangements were made to secure the residences of the upper floors if necessary? Ms. Moreira stated that HDC was not financing the shelter, it was co-located in the building and there would be separate entrances for the shelter component of the building and a separate entrance for the area that HDC is financing. Ms. Moreira stated that as part of the financing, there would be security costs being built into the development budget. Ms. Moreira stated that part of the contract would include services of security, there would be security provided for the building and for the shelter itself.

There being no further questions, Susannah Lipsyte, Executive Vice President, and General Counsel of the Corporation then described the provisions of the Authorizing Resolution and the actions the Members were being asked to approve.

The Chairperson asked for a motion to approve the Authorizing Resolution relating to the Multi-Family Housing Revenue Bonds, 2024 Series B and 2024 Series C and the Approval of Mortgage Loans and other actions described in the Open Resolution Memorandum.

Upon a motion duly made by Mr. Moerdler and seconded by Mr. Niblack the Members unanimously:

RESOLVED, to approve (A) an authorizing resolution that provides for (i) the adoption of Supplemental Resolutions to the Open Resolution, (ii) the issuance of the Bonds, (iii) the pledge to the Open Resolution of any mortgage loans of the Corporation, (iv) the terms of any liquidity facility and other activities listed therein and, in the Open Resolution Memorandum; (B) the use of available funds of the Open Resolution or the Corporation’s unrestricted reserves to finance (i) six (6) senior loans and seven (7) subordinate loans for seven (7) ELLA developments; (ii) three (3) SUN Loans for the PACT Developments in a not to exceed amount of \$112,960,000; (iii) two (2) senior loans for Preservation developments; and (iv) the execution by an Authorized Officer of the Corporation of mortgage-related documents and any other documents necessary to accomplish the financings; (C) State Street Bank and Trust Company to serve as a Liquidity Provider in the

Open Resolution and authorize the Corporation to enter into one or more Liquidity Facilities with State Street for variable rate obligations issued from time to time in the Open Resolution; and (D) the execution of one or more interest rate hedging instruments in a combined notional amount not to exceed \$100,000,000 and the execution by the President or any Authorized Officer of the Corporation of any and all documents necessary to enter into said hedging instruments.

The Chairperson stated that the next item on the agenda would be the Approval of an Authorizing Resolution relating to the Housing Impact Bonds, 2024 Series C, D, E and F for the NYCHA PACT West Brighton and Boston Secor, Boston Road Plaza and Middletown Plaza (BBM) Developments and Approval of Mortgage Loans and called upon Ruth Moreira, First Executive Vice President for the Corporation to make that presentation.

Ms. Moreira referred the Members to the memorandum before them entitled “Approval of an Authorizing Resolution relating to the Housing Impact Bonds, 2024 Series C, D, E and F for the NYCHA PACT West Brighton and Boston Secor, Boston Road Plaza and Middletown Plaza (BBM) Developments and Approval of Mortgage Loans (the “Housing Impact Bonds Memorandum”) dated May 28, 2024.

Ms. Moreira stated that she was pleased to recommend that the Members approve the issuance of the Corporation’s Housing Impact Bonds, 2024 Series C, D, E, and F, and in a combined amount not expected to exceed \$241,410,000 and that the Members approve the origination of a permanent Senior Unenhanced Non-accelerating or “SUN” Loan in an amount not to exceed \$82,400,000 to finance the acquisition, rehabilitation and permanent financing of the NYCHA projects known as West Brighton and Boston Secor, Boston Road Plaza, and Middletown Plaza (also known as “BBM”).

Ms. Moreira stated that both West Brighton and BBM developments were part of the “Permanent Affordability Commitment Together,” or “PACT” strategy outlined in the 2018 NYCHA 2.0 plan, which describes how the City would reinvest and reposition public housing through Section 8 conversions.

Ms. Moreira stated that subject to HUD and Freddie Mac approval, the Housing Impact Bond proceeds were expected to fund four mortgage loans for the two developments. She said that within each project, one loan representing 90% of the loan proceeds was expected to be secured by supplemental security in the form of a standby credit enhancement agreement issued by Freddie Mac. She added that the remaining 10% of the loan proceeds within each project was expected to be secured with a subordinate mortgage loan enhanced by the Corporation’s general obligation pledge.

Ms. Moreira stated that the mortgage loans were expected to each have 30-year terms, with interest-only payments for five years, after which each loan would amortize over a 40-year amortization schedule with a balloon due at the end of the 30-year term.

Ms. Moreira stated that interest on a portion of the bonds was expected to be exempt from Federal and New York state and local income tax, and such bonds would qualify as recycled tax-exempt private activity bonds. She noted that an additional portion of the bonds was not expected

to be exempt from federal income tax but was expected to be exempt from New York state and local income tax.

Ms. Moreira stated that the SUN Loans would be senior, un-enhanced, and non-accelerable with fixed principal and interest payments that are designed to mimic real estate taxes. She said that the SUN Loans would have a 40-year term and would fully amortize after a five-year interest-only period. She said that the SUN Loan would not require external credit enhancement because of its high debt service coverage and particularly low repayment risk.

Ms. Moreira stated that the proceeds of the mortgage loans and the SUN loans would be used for the acquisition, rehabilitation, and permanent mortgage for West Brighton and BBM. She said that the proposed rehabilitation work was extensive and was expected to bring significant quality of life improvements to residents, promote energy efficiency, and enhance the projects' physical appearance.

Ms. Moreira stated that West Brighton was expected to consist of 586 units located in the West New Brighton neighborhood of Staten Island.

Ms. Moreira stated that BBM was expected to consist of 3 developments totaling 952 units located in the Eastchester, Allerton, and Pelham Bay neighborhoods in the Bronx.

Ms. Moreira stated that each project was expected to receive a subordinate loan made by the Corporation using city capital granted by the City of New York acting by and through HPD. She said that the final closing and sizing of the subsidy was subject to review and approval by the Office of Management & Budget.

Ms. Moreira stated that more detail on the developments as well as bond underwriters, risks, fees and credit ratings associated with the bonds were outlined the Housing Impact Bonds Memorandum.

There being no further questions, Susannah Lipsyte, Executive Vice President and General Counsel for the Corporation then described the provisions of the Authorizing Resolution and the actions the Members were being asked to approve.

The Chairperson then asked for a motion to approve the Authorizing Resolution relating to the Housing Impact Bonds, 2024 Series C, D, E and F for the NYCHA PACT West Brighton and Boston Secor, Boston Road Plaza and Middletown Plaza (BBM) Developments and Approval of Mortgage Loans and other actions by the Members described in the Housing Impact Bonds Memorandum.

Upon a motion duly made by Ms. Scott, and seconded by Mr. Niblack, the Members unanimously:

RESOLVED, to approve (A) an authorizing resolution that provides for (i) the adoption of Supplemental Resolutions to the Housing Impact Bond Resolution, (ii) the issuance of the Bonds, (iii) the execution of the HDC Funding Agreement, the pledge to the Housing Impact

Resolution of any mortgage loans or other assets of the Corporation and other activities listed therein and, in the Housing Impact Bonds Memorandum; (B) to authorize the use of the Corporation's general obligation pledge in an amount not to exceed \$24,150,000 plus any interest due on the HDC Enhanced Mortgage Loans; (C) to authorize the origination of SUN Loans in an amount not to exceed \$82,400,000; and (D) for the authorizations requested above, the Members are requested to approve the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish such financings.

The Chairperson stated that the next item on the agenda is the approval of Declaration of Intent Resolutions for Columbia Street Building C, 498 Columbia Street, Brooklyn, New York and Linden Plaza, 675-765 Lincoln Avenue, 750-792 Eldert Lane, Brooklyn, New York and called upon Ms. Connors to advise the Members regarding this item.

Ms. Connors stated that Declaration of Intent Resolutions are solely for tax code purposes, allowing any expenditures incurred by a project's developer within 60 days prior to the date the Resolution is passed to be eligible for tax exempt bond financing. She stated that before HDC were to finance a project, the specifics of the transaction would be presented to the Members for review and approval.

Ms. Connors referred the Members' attention to the two memorandums before them entitled Resolution of Declaration of Intent Columbia Street Building C, located in Brooklyn, New York and Resolution of Declaration of Intent Linden Plaza located in the Brooklyn, New York.

Ms. Connors stated that the proposed Columbia Street Building C development would consist of the new construction of one building containing a total of 371 residential low-income rental units to be located in the Red Hook neighborhood of Brooklyn. She said that it was expected that the development would use approximately \$131,330,000 in tax exempt bonds. She said that the project was expected to be developed by a single purpose entity to be formed and controlled by Columbia SF LLC and YL Red Hook 2023 LLC.

There being no further questions or comments the Chairperson then asked for a motion to approve the Declaration of Intent Resolution for 498 Columbia Street, Brooklyn, New York.

Upon a motion duly made by Mr. Moerdler and seconded by Mr. Niblack the Members unanimously:

RESOLVED, to approve the Declaration of Intent Resolution for Columbia Street Building C, Brooklyn, New York.

The Chairperson stated that we will now move to Linden Plaza.

The Linden Plaza development consists of the proposed rehabilitation of five multistory buildings and 32 townhouse units containing a total of 1,527 residential low-income rental units located the East New York neighborhood of Brooklyn. It is expected that the development will use approximately \$135,000,000 in tax exempt bonds. The project was expected to be developed by a single purpose entity to be formed and controlled by Camber Property Group LLC.

There being no further questions or comments the Chairperson then asked for a motion to approve the Declaration of Intent Resolution for Linden Plaza, Brooklyn, New York.

Upon a motion duly made by Mr. Niblack and seconded by Ms. Scott the Members unanimously:

RESOLVED, to approve the Declaration of Intent Resolution for Linden Plaza, Brooklyn, New York.

The Chairperson stated that the next item for consideration by the Members would be the Approval to Fund NYC Housing Assistance Corporation (HAC) Ruppert/Yorkville Subsidy Program and called upon Ellen Duffy to make that presentation.

Ms. Duffy stated that she was pleased to recommend the Members of HDC approve the transfer of a not to exceed amount of \$3,400,000 of HDC corporate reserves to the New York City Housing Assistance Corporation or "HAC" to continue to provide subsidy to certain residents of Ruppert Yorkville Towers in accordance with a 2003 agreement with the City of New York.

Ms. Duffy stated that Ruppert Yorkville Towers was a former Mitchell-Lama rental complex located on the Upper East Side of Manhattan that bought out of the program and converted into a condominium in 2002. She stated that at that time, litigation between the residents and the owner over the buyout resulted in a Court-supervised settlement. The City agreed to subsidize residents of Ruppert Yorkville Towers earning less than 80% of AMI for as long as the residents remained income eligible and continued to reside at Ruppert Yorkville Towers.

Ms. Duffy stated that the City requested HAC to be the vehicle to provide the City Subsidy Program. HAC was originally created to finance affordable housing and provide direct tenant assistance, using money from the Municipal Assistance Corporation at the direction of the City. She stated that the City Subsidy Program for Ruppert Yorkville Towers was approved by HAC Board Members in July 2003. She stated that the background and details of the City Subsidy Program were described in the attached 2003 Memorandum.

Ms. Duffy stated that between 2004 and 2017, the Members of HDC authorized periodic transfers to HAC in amounts not to exceed \$10 million outstanding to cover shortfalls in available resources at HAC, to cover payments under the City Subsidy Program.

Ms. Duffy stated that as HAC approached that \$10 million cap in 2017, the Members approved the sale of HAC's remaining five mortgage loans to HDC to securitize and pledge to the Open Resolution. She stated that the securitization of the HAC Loans raised approximately \$23.8 million for HAC. The loan sale proceeds were used to repay HDC for \$9.05 million in unreimbursed transfers it made to HAC and the remaining \$14.75 million was held at HAC, invested, and used to continue funding the City Subsidy Program. She stated that the background and details of the approval of the loan sale from HAC to HDC were described in the attached 2017 Memorandum.

Ms. Duffy stated that the money in HAC was projected to be depleted by June 2024, two years later than was originally projected in 2017. She stated that as there were no longer assets or monies available in HAC to fund the City Subsidy Program, HDC proposes to temporarily fund, on a monthly basis, the City Subsidy Program. She stated that HDC would transfer the necessary amounts from its corporate reserves until December 2025, with an estimated not to exceed amount of \$3,400,000 in the aggregate.

Ms. Duffy stated that as the payments were projected to continue for several decades, a long-term solution needs to be determined. Therefore, Ms. Duffy said that HDC staff would work with the City of New York to determine other potential resources to support the City Subsidy Program going forward and to reimburse the Corporation for any funds deposited with HAC and used to pay the subsidy.

Ms. Duffy then read the actions the Members were being requested to approve.

Mr. Moerdler stated that he was going to vote for this but he was very troubled by it. He said that what was happening here was the City of New York through its several agencies were subsidizing a number of tenants. He stated that the subsidy should have come from the people who opted out, bailed out and cashed out. He stated that the majority of the stock was sold to the public, they cashed out and they did well and it should have come out of their hide and not the taxpayers. He stated that none-the-less, the people have a right to be served, they need shelter, and everybody has a right to shelter. He stated that he therefore endorses a motion to move.

Mr. Niblack asked what were the terms in the subsidy because he thought the amount seemed high per unit, per household. Ms. Duffy said that the terms were that the tenants don't pay more than 30% of their income. Mr. Niblack asked if the incomes were verified annually to be below 80% of AMI and Ms. Duffy said yes, the incomes were certified by asset management annually.

Mr. Niblack stated that it was a lot of money per unit. The Chairperson said that it was rental assistance and it was an old city settlement that we have to abide by. The Chairperson stated that we look forward to a longer-term solution.

Ms. Scott asked, that regarding the long term solution, what was the process to figure it out because it was not just this set of buildings but a whole project of Mitchell Lamas.

Mr. Enderlin stated that this was its own issue, there was a move toward universal rental assistance in the world, but we were not there yet. He stated that this was its own plan that had dated back to that 2003 issue where the City obligated itself and the question was a good one but we do not have clear visibility. He stated that there may be lower numbers but because of inflation the number still gets pretty high and that final number could be substantial. He stated that the current Deputy Mayor was Chairperson of the Corporation's board at the time in 2017 when this happened so we have reentered some of those conversations. He stated that a team of folks at HDC had begun talks with City Hall and that our colleagues at OMB would be in this conversation at some point, in some way. Mr. Enderlin stated that we did not have a lot of visibility on exactly

how we would solve this issue. Previously we had those loans that were sold and funded it and that there were probably several things we could think about, but now we do not have the visibility.

There being no further questions or comments the Chairperson then asked for a motion to approve the funding of the New York City Housing Assistance Corporation Ruppert/Yorkville Subsidy Program.

Upon a motion duly made by Ms. Scott, and seconded by Mr. Niblack, the Members unanimously:

RESOLVED, the approval of (i) the authorization to fund a not to exceed amount of \$3,400,000 in the aggregate of corporate reserves to be transferred to NYC Housing Assistance Corporation on a monthly basis to cover monthly payments under the City Subsidy Program through December 2025 and, (ii) the execution by an Authorized Officer of the Corporation to execute any documents necessary to effect such transfers..

The Chairperson stated that the next item on the agenda would be the Approval of HPD Funding Swap Initiatives and called upon Michael Rose to advise the Members regarding this item.

Mr. Rose referred the Members to the memorandum before them entitled “HPD Funding Swap Initiatives” dated May 28, 2024 (the “Swap Initiatives Memorandum”). He stated that he was pleased to present for the Members’ approval the Corporation's use of its unrestricted Corporate Reserves in an amount not to exceed \$17,000,000 for the purpose of participating in a funding swap initiative with the New York City Department of Housing Preservation and Development. He stated that this initiative would enable HPD to close on new capital financing for housing preservation projects within their pipeline that were anticipated to be funded in June 2024. He stated such loans were referred to in the Swap Initiatives Memorandum as the “City Project Loans.”

Mr. Rose stated that from time to time, the Corporation had entered into similar funding swap agreements with HPD to enable programmatic initiatives and priorities within HPD's pipeline. He stated that when HPD was the sole lender providing financing to a project, which was often the case for projects that were fully leveraged and could not support new or additional senior financing, there were sometimes soft costs related to the financing closing that could not be funded by HPD City Capital due to capital eligibility restraints.

Mr. Rose stated that by participating in this funding swap with HPD, the Corporation would assist in the closing of such projects by allocating Corporate Reserves as a funding source for the capially ineligible costs. He stated that in exchange for this allocation of Corporate Reserves towards the City Project Loans, HPD would grant City Capital funds to the Corporation, in a commensurate amount and pursuant to Section 661 of the Private Housing Finance Law, to partially fund the Corporation's subsidy loans on one or more new construction projects to be financed during June 2024.

Mr. Rose stated that the HPD projects to be funded under this initiative would fall into two categories; (i) projects that have experienced construction cost overruns and have requested additional funding from HPD to enable the conversion to permanent financing and (ii) HPD-funded projects to rehabilitate Mitchell-Lama cooperatives within the Corporation's portfolio that are unable to leverage new senior financing. He stated that as with other such funding swap initiatives, the terms would be memorialized in a Memorandum of Understanding between HPD and the Corporation.

Mr. Rose stated that while the funding swap would not increase HDC's risk, the initiatives would limit the ability to pledge the HDC subsidy loans to a bond indenture. Due to this restriction, the swap would result in a decrease of HDC's ability to issue \$17,000,000 of bonds that could otherwise generate proceeds to be used for future lending capacity. He stated that this was a limitation of this program that merits further discussion and investigation as the number of funding swaps increases.

Mr. Rose stated that further details on the terms and risks of this proposal were outlined in the Swap Initiatives Memorandum.

Mr. Rose then read the motions the Members were being requested to approve.

There being no questions the Chairperson called for a motion to approve HPD Funding Swap Initiatives.

Upon a motion duly made by Mr. Moerdler, and seconded by Mr. Jiha, the Members unanimously:

RESOLVED, to approve (i) the use of up to \$17,000,000 of the Corporation's reserves to fund the June 2024 Funding Swap Initiatives Dedicated Account for the making of City Project Loans and (ii) the execution by an Authorized Officer of the Corporation of mortgage-related documents and any other documents necessary to accomplish the making of the City Project Loans.

The Chairperson stated that the next item on the agenda would be the Authorization to File Budget and Financial Plan into the Public Authorities Reporting Information System (PARIS) for FY 2025 Pursuant to Section 2801 of the Public Authorities Law. He called upon Ms. Baumann to make this presentation.

Ms. Baumann stated that she was pleased to recommend that the Members approve the Corporation's filing of the budget and financial plan into the Public Authorities Reporting Information System (aka "PARIS") for FY 2025.

Ms. Baumann stated that pursuant to Section 2801 of the New York Public Authorities Law, state authorities were asked to prepare and submit to their Members for review and approval a proposed budget and financial plan no later than 90 days prior to the commencement of the next fiscal year. She stated that as the Corporation's fiscal year commences on November 1, the 90-day mark for the filing is July 31, 2024. She stated that this plan must also be submitted to various

state officials, entered into the New York State Authorities Budget Office's PARIS online data system, and posted on the Corporation's website.

Ms. Baumann stated that the State Comptroller's regulations prescribe the format and content of the proposed budget and financial plan, including the requirement that the financial plan include the budget for the current fiscal year, and revenue and expenditure projections for at least the next three years.

Ms. Baumann noted that this form of budget was atypical for financial reporting standards, as the PARIS format combines operating revenues and expenses together with capital sources and uses. She stated that as always, the Members would be asked to approve the Corporation's operating budget for FY 2025 at the annual meeting later in the Fall.

Ms. Baumann then read the authorizing resolution for the Members' authorization. She stated that the Members were being asked to authorize the filing of the proposed budget and financial plan for fiscal year 2025 pursuant to the requirements of Section 2801 of the Public Authorities Law.

There being no questions or comments the Chairperson called for a motion to authorize the filing of the proposed budget and financial plan for fiscal year 2025.

Upon a motion duly made by Mr. Moerdler, and seconded by Ms. Scott, the Members unanimously:

RESOLVED, to authorize the filing of the proposed budget and financial plan for fiscal year 2025 pursuant to the requirements of Section 2801 of the Public Authorities Law.

The Chairperson stated that at this time, he would like to close the meeting of the Finance Committee and called for a motion of the HDC Board to ratify those items just approved by the Finance Committee.

Upon a motion duly made by Mr. Moerdler, and seconded by Mr. Niblack, the Members unanimously:

RESOLVED, to ratify and adopt each of the preceding approvals of the Finance Committee.

At 1:05 p.m., there being no further business, upon a motion duly made by Mr. Moerdler and seconded by Mr. Jiha, the meeting was adjourned.

Respectfully submitted,



Moira Skeados
Secretary

**MINUTES
OF THE MEETING OF THE
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**

June 4, 2024

ATTENDANCE LIST

Eric Enderlin	NYC Housing Development Corporation
Cathleen Baumann	NYC Housing Development Corporation
Lauren Connors	NYC Housing Development Corporation
Ruth Moreira	NYC Housing Development Corporation
Moira Skeados	NYC Housing Development Corporation
Susannah Lipsyte	NYC Housing Development Corporation
Luke Schray	NYC Housing Development Corporation
Madhavi Kulkarni	NYC Housing Development Corporation
Paul Cackler	NYC Housing Development Corporation
Austin Chin	NYC Housing Development Corporation
Carol Micalizzi	NYC Housing Development Corporation
Melissa Barkan	NYC Housing Development Corporation
Paul Cackler	NYC Housing Development Corporation
Trisha Ostergaard	NYC Housing Development Corporation
John Gearrity	NYC Housing Development Corporation
Claudine Brown	NYC Housing Development Corporation
Sakshee Sani	NYC Housing Development Corporation
Adam King	NYC Housing Development Corporation
Lois Bricken McCloskey	NYC Housing Development Corporation
Jennifer Beamish	NYC Housing Development Corporation
Mohammad Islam	NYC Housing Development Corporation
Lisa Wertheimer	NYC Housing Development Corporation
Horace Greene	NYC Housing Development Corporation
Mary Bruch	NYC Housing Development Corporation
Aaron Pincus	NYC Housing Development Corporation
Tania Dorado	NYC Housing Development Corporation
Arjun Subakeesan	NYC Housing Development Corporation
Daniel Quiroz	NYC Housing Development Corporation
Marion Amore	NYC Housing Development Corporation
Angus Page	NYC Housing Development Corporation
Susan Tso	NYC Housing Development Corporation
Justine Martin	NYC Housing Development Corporation
Brian Wong	NYC Housing Development Corporation
Violine Roberty	NYC Housing Development Corporation
Bonnie Nesbitt	NYC Housing Development Corporation
Chanin French	NYC Housing Development Corporation

William Byrd	NYC Housing Development Corporation
Merin Urban	NYC Housing Development Corporation
Tolulope Abotiyade-Cole	NYC Housing Development Corporation
John Gearrity	NYC Housing Development Corporation
Susan O'Neill	NYC Housing Development Corporation
Yaffa Oldak	NYC Housing Development Corporation
Asha Shabazz	NYC Housing Development Corporation
Brian Cheig	NYC Housing Development Corporation
Chistopher Landi	NYC Housing Development Corporation
Cullen MacDowell	NYC Housing Development Corporation
Fabiana Meacham	NYC Housing Development Corporation
Kenton Stewart	NYC Housing Development Corporation
Kimberly Huang	NYC Housing Development Corporation
Lydia Aponte	NYC Housing Development Corporation
Nick Draeger	NYC Housing Development Corporation
Nicole Forero	NYC Housing Development Corporation
Rajesh Deb	NYC Housing Development Corporation
Richard Lynch	NYC Housing Development Corporation
Robert Sanna	NYC Housing Development Corporation
Sean Capperis	NYC Housing Development Corporation
Sharon Skolnik	NYC Housing Development Corporation
Sheila liams	NYC Housing Development Corporation
Sophia Annabelle Klein	NYC Housing Development Corporation
Stephanie Mavronicolas	NYC Housing Development Corporation
Tom Bethany	NYC Housing Development Corporation
Whitley Plummer	NYC Housing Development Corporation

Kevin Murphy	Hawkins Delafield & Wood LLP
James Hull	NYC Housing Authority
Jeremy Welsh-Loveman	OMB
Ruth Allanbrook	OMB
Tara Borvoid	OMB
Pat Moran	Siebert
Kim Wong	SMBC
Nick Fluehr	Wells Fargo
Ben Killian	Wells Fargo
Greg Henniger	Hawkins Delafield & Wood LLP
Annie Lee	Bank of America
Mike Koessel	Bank of America
Olivia Ford	Ramirez
Sonali Gorvind	Ramirez
Joe Tait	Raymond James
Paul Haley	Barclays
Mitch Gallo	RBC Capital Markets
Peter Weiss	Loop Capital
Gregory Boggs	Morgan Stanley

Geoff Proulx
Rachel Sanchez
Sara Ketchumn
Brent Chandaria
Gloria Boyd
Sam Rees
Samphas Chhea
Jeff Philp

Morgan Stanley
Morgan Stanley
Academy Securities
J.P. Morgan
J.P. Morgan
Caine Mitter
Jefferies
Orrick