




NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: The Chairperson and Members

From: Eric Enderlin 
President

Date: March 22, 2018

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

In July 2015, the Corporation issued a Request for Proposal ("RFP") for managing underwriters and on December 2, 2015, the Members approved 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 (original memorandum attached). During the evaluation process, the Review Committee (described in the memorandum) invited firms to interview for Senior Manager after careful research, discussion and analysis.

After assessment, the Review Committee recommended a balanced group of underwriters ranging from small regional firms to the nation's largest investment banks. On February 16, 2018, UBS Financial Services Inc. ("UBS") and TD Securities (USA) LLC ("TD Securities") each submitted a RFP response to act as a co-managing underwriter to the Corporation. In 2015, neither of these firms were active participants in negotiated housing finance; therefore they did not submit a response to the original RFP. The Corporation is interested in adding these firms to its existing underwriting team to provide access to a greater universe of retail and institutional investors.

UBS is a leading financial firm, with its UBS Wealth Management USA headquartered in the New York metropolitan area, thereby maintaining a strong retail presence in the State of New York. UBS exited the negotiated public finance market in 2009 and re-entered this space in mid-2017, assembling an experienced team to execute HDC's transactions. During the firm's absence from the negotiated underwriting space, UBS maintained distribution agreements with several dealers, in order to access negotiated product, including HDC bonds. UBS has longstanding relationships with top tier institutional investors, the middle market and an extensive retail network.

TD Securities is a growing, well-capitalized financial services firm with a strong presence throughout New York City. In late 2015, TD Securities reviewed its municipal finance department's current business strategy, and decided to make changes to refocus its business plan to better serve the existing or potential customers of its affiliate, TD Bank, N.A. TD Securities has an institutional sales force that effectively reaches all active institutional accounts which purchase public sector bonds. Additionally, they have a distribution agreement with TD Ameritrade, providing access to a substantial base of retail investors.

The Members are requested to approve UBS Financial Services and TD Securities as a co-manager for the Corporation's bond issuances.