

**MINUTES OF THE 395TH BOARD MEETING
OF THE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

MEMBERS:

- * Charles Richman, Deputy Commissioner, DCA
(representing Richard E. Constable, III, Commissioner, DCA)
- ** Susan Fischer, Assistant Attorney General
(representing John Hoffman, Acting Attorney General)
- *** Robert Shaughnessy, Assistant Deputy Director, Department of Property Management and Construction
(representing Andrew Sidamon-Eristoff, State Treasurer)
- **** Thomas Hunt, Deputy Assistant Director, Office of Consumer Finance, Department of Banking and Insurance
(representing Kenneth E. Kobylowski, Commissioner, Department of Banking and Insurance)
- ***** Cathy Boland, Supervising Program Development Specialist, Office of Housing, Policy, Planning and Evaluation Division of Mental Health and Addiction Services, Department of Human Services
(representing Jennifer Velez, Commissioner, Department of Human Services)

Monsignor William Linder
Dorothy Blakeslee

OFFICIALS
PRESENT:

Anthony Marchetta, Executive Director
Claudia Lovas, Deputy Executive Director/Chief of Programs
Donna Rendeiro, Chief of Administration
David Bonomo, Chief Financial Officer
Michael Floyd, Chief of Property Management and Technical Services
James Robertson, Chief of Legal and Regulatory Affairs
John Murray, Senior Director of Credit and Business Development
Marisol Rodriguez, Director of Multifamily Programs and Lending
Tanya Hudson-Murray, Assistant Director, Multifamily Programs and Lending
Darryl Applegate, Director of Regulatory Affairs
Jennifer Linett, Director of Loan Closings
Kim Sked, Senior Compliance Officer
Colleen Drewes, Program Coordinator
Amy Palmer, Program Outreach Coordinator
Yirgu Wolde - Director of Supported Housing and Special Needs
Donald Schlachter, Senior Director of Technical Services
Harry Stevenson, General Services Assistant
Carilyn Willis, Executive Assistant

OTHERS

PRESENT:

Kavin Mistry, Deputy Attorney General
Nels Lauritzen, Deputy Attorney General
Kerstin Sundstrom, Governor Authority Unit
James O'Donohue, Hill Wallack
Mike Knab, RPM
Dan Rosen, Bank of America

- * Letter of February 27, 2014 designating Charles Richman to represent Richard E. Constable, III, Commissioner, DCA
- ** Letter of April 12, 2011 designating Susan Fischer to represent the Acting Attorney General
- *** Letter of September 3, 2013 designating Robert Shaughnessy to represent the State Treasurer, Andrew Sidamon-Eristoff
- **** Letter of February 13, 2012 designating Thomas Hunt to represent Kenneth E. Kobylowski, Commissioner, Department of Banking and Insurance
- ***** Letter of July 8, 2011 designating Cathy Boland to represent Jennifer Velez, Commissioner, Department of Human Services

February 27, 2014

Chairman Richman read the following into the minutes:

SUNSHINE ACT

"The New Jersey Housing and Mortgage Finance Agency gave notice of the time, place and date of this meeting by facsimile, regular mail and hand delivery on February 14, 2014 to the Secretary of State of New Jersey, The Star Ledger, The Times, and the Courier Post, and by posting the notice at the office of the Agency in Trenton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Housing and Mortgage Finance Agency in order to hold a session from which the public is excluded."

APPROVAL OF MINUTES

APPROVAL OF THE PUBLIC SESSION MINUTES OF THE JANUARY 27, 2014 MEETING OF THE HMFA BOARD – ITEM 1A.

Thomas Hunt moved and Robert Shaughnessy seconded approval of the Public Session Minutes of the January 27, 2014 Meeting of the HMFA Board.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder
Nay-None*

APPROVAL OF THE EXECUTIVE SESSION MINUTES OF THE JANUARY 27, 2014 MEETING OF THE HMFA BOARD – ITEM 1B.

Cathy Boland moved and Thomas Hunt seconded approval of the Executive Session Minutes of the January 27, 2014 Meeting of the HMFA Board.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder
Nay-None*

MULTI-FAMILY – FOUR PERCENT TAX CREDIT

HMFA #02830 – RIVERVALE SENIOR RESIDENCE - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 2A.

Thomas Hunt moved and Cathy Boland seconded 1. Approval of a mortgage commitment for an estimated \$6,475,000 in construction only financing for a project known as Rivervale Senior Residence, HMFA #02830 (the "Project"), upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder
Nay-None*

Dorothy Blakeslee arrived at 10:15 a.m.

MULTI-FAMILY – NINE PERCENT TAX CREDIT-FRM

HMFA #02879 – 999 BROAD PHASE II - APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 3A.

Thomas Hunt moved and Monsignor Linder seconded 1. Approval of a mortgage recommitment for an estimated \$2,678,000 in permanent financing for a project known as 999 Broad Phase II, HMFA #2879 (the “Project”), upon the terms and conditions set forth in the Request for Action. 2. Approval of a subsidy mortgage loan recommitment for an estimated \$2,986,000 in construction and permanent financing from the Fund for Restoration of Multifamily Housing (“FRM”) Program for a project known 999 Broad Phase II, HMFA #2879 (the “Project”), pursuant to the FRM Program Guidelines.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

HMFA #02883 – PLEASANTVILLE MIXED INCOME - APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 3B.

Thomas Hunt moved and Cathy Boland seconded 1. Approval of a mortgage recommitment for an estimated \$1,914,000 in permanent financing for a project known as Pleasantville Mixed- Income, HMFA #02883 (the “Project”), upon the terms and conditions set forth in the Request for Action. 2. Approval of a subsidy mortgage loan recommitment for an estimated \$3,748,000 in construction and permanent financing from the Fund for Restoration of Multifamily Housing (“FRM”) Program for a project known as Pleasantville Mixed- Income, HMFA #02883 (the “Project”), pursuant to the FRM Program Guidelines.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

HMFA #02884 – PLEASANTVILLE MIXED USE - APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 3C.

Dorothy Blakeslee moved and Thomas Hunt seconded 1. Approval of a mortgage recommitment for an estimated \$2,434,000 in permanent financing for a project known as Pleasantville Mixed Use, HMFA #02884 (the “Project”), upon the terms and conditions set forth in the Request for Action. 2. Approval of a subsidy mortgage loan recommitment for an estimated \$3,559,000 in construction and permanent financing from the Fund for Restoration of Multifamily Housing (“FRM”) Program for a project known as Pleasantville Mixed-use (the “Project”), pursuant to the FRM Program Guidelines.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

MULTI-FAMILY – NINE PERCENT TAX CREDIT

HMFA #02839 – RIVERFRONT VILLAGE AT PENNSAUKEN – APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 4A.

Robert Shaughnessy moved and Thomas Hunt seconded 1. Approval of a mortgage recommitment for an estimated \$1,873,000 in permanent financing for a project known as Riverfront Village at Pennsauken, HMFA #02839 (the “Project”), upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

REGULATORY AFFAIRS

HMFA #1486 – PHILLIPS SEAVIEW TOWERS – AUTHORIZATION TO DISCHARGE FINANCING DEED RESTRICTION AND REGULATORY AGREEMENT – ITEM 5A

Robert Shaughnessy moved and Thomas Hunt seconded 1. Approval to discharge Financing, Deed Restriction and Regulatory Agreement. 2. Authorization for Executive Director, Deputy Executive Director, Chief Financial Officer, Chief of Administration, or Chief of Legal and Regulatory Affairs to execute any and all documents necessary to effectuate the above action.

Mr. Applegate assured the Board that the affordability controls would remain in place through 2025 as a result of the Housing Assistance Payment contract with HUD.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

CAPITAL MARKETS

APPROVAL OF MULTIFAMILY BOND DOCUMENTS – ITEM 6A.
PULLED

MULTIFAMILY CONDUIT PROGRAM - APPROVAL OF THE APPOINTMENT OF THE PROGRAM TRUSTEE – ITEM 6B.

Dorothy Blakeslee moved and Robert Shaughnessy seconded 1. Approval of the Agency’s appointment of U.S. Bank Corporate Trust Services as Program Trustee for the Agency’s Credit Enhanced Conduit Program for a three-year term.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

APPROVAL OF POST-ISSUANCE COMPLIANCE PROCEDURES FOR TAX-EXEMPT MULTIFAMILY CONDUIT REVENUE BONDS-ITEM 6C.

Dorothy Blakeslee moved and Thomas Hunt seconded 1. Approval by Agency Board of the Post-Issuance Compliance Procedures for Tax-Exempt Multifamily Conduit Revenue Bonds Issued through the Multifamily Conduit Bond Financing Program (“Procedures”) to provide for the transparency of, as well as, policy and procedures for post-issuance compliance of conduit bonds in accordance with applicable federal tax law requirements.

Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland, Monsignor Linder, Dorothy Blakeslee
Nay-None

DISTRESSED ASSETS

HMFA#280 – NIA - APPROVAL OF MODIFICATION OF FIRST MORTGAGE NOTE – ITEM 7A.

PULLED

HMFA #29 – ROWAN TOWERS - APPROVAL OF MODIFICATION OF FIRST MORTGAGE NOTE – ITEM 7B.

PULLED

EXECUTIVE SESSION

Chairman Richman read the following into the minutes.

RESOLUTION OF THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY REGARDING APPROVAL TO ENTER INTO EXECUTIVE SESSION

WHEREAS, on February 27, 2014, a meeting of the Members of the New Jersey Housing and Mortgage Finance Agency was held; and

WHEREAS, the Members were asked to adopt a resolution regarding approval of a motion to adjourn to Executive Session.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY AS FOLLOWS:

WHEREAS, pursuant to N.J.S.A. 10:4-12 and 10:4-13 of the Open Public Meetings Act, the Agency intends to receive legal advice with respect to the litigation concerning Whitlock Mills, HMFA #1388 (the “Project”), to discuss contractual negotiations and matters concerning the Project, including the approval of operating funds .

NOW, THEREFORE, be it resolved by the Members of the New Jersey Housing and Mortgage Finance Agency as follows:

1. A closed session shall be held by the Agency for the purposes set forth above.
2. The discussions undertaken at the closed session will be disclosed when the need for confidentiality no longer exists.

Thomas Hunt moved and Dorothy Blakeslee seconded a motion to enter into Executive Session at 10:25 a.m.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

PUBLIC SESSION

HMFA #1388 - WHITLOCK MILLS – APPROVAL OF AN EXPENDITURE TO PAY PROJECT COSTS – ITEM 9A.

Thomas Hunt moved and Monsignor Linder seconded 1. Approval of an expenditure by the Agency in an amount not to exceed \$500,000 from Agency General Funds for a project known as Whitlock Mills, HMFA #1388, to pay various project costs, including carrying costs and contractor costs. 2. Authorization for the Executive Director, Chief Financial Officer or Chief of Legal and Regulatory Affairs to execute any and all documents necessary to effectuate the above actions.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*

MOTION TO ADJOURN

Dorothy Blakeslee moved and Thomas Hunt seconded a motion to adjourn at 11:28 a.m.

*Aye-Charles Richman, Susan Fischer, Robert Shaughnessy, Thomas Hunt, Cathy Boland,
Monsignor Linder, Dorothy Blakeslee
Nay-None*