

**MINUTES OF THE 420th BOARD MEETING
OF THE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

MEMBERS: Charles Richman, Commissioner, DCA
* Kavin Mistry, Assistant Attorney General
(representing Robert Lougy, Acting Attorney General)
** Peter Simon, Chief of Staff, Department of Treasury
(representing Ford M. Scudder, Acting State Treasurer)
*** Thomas Hunt, Assistant Director of the Office of Consumer Finance, Department of
Banking and Insurance
(representing Richard J. Badolato, Acting Commissioner, Department of Banking and
Insurance)
**** Cathy Boland, Program Specialist IV, Department of Human Services
(representing Elizabeth Connelly, Acting Commissioner, Department of Human Services)
Dorothy Blakeslee
Stanley Weeks

OFFICIALS
PRESENT:

Anthony Marchetta, Executive Director
Claudia Lovas, Deputy Executive Director/Chief of Programs
Donna Rendeiro, Chief of Administration
James Robertson, Chief of Regulatory Affairs
John Murray, Chief of Credit and Business Development
Michael Floyd, Director of Property Management and Tech. Services
Deb Urban, Senior Director of Programs
Marisol Rodriguez, Director, Multifamily Programs and Lending
Donna Spencer, Multifamily Loan Manager
Todd Evans, Senior Director of Capital Markets & Finance
Yirgu Wolde, Director of Supported Housing and Special Needs
Joe Robotin, Director Single Family
Darryl Applegate, Director of Regulatory Affairs
Colleen Drewes, Program Coordinator
Nancy Zielinski, Community Development Officer
Suzanne Plesnarski, Administrator of Regulatory Affairs Transactions
Harry Stevenson, General Services Assistant
Carilyn Willis, Executive Assistant
Victoria Lawson, Jr. Executive Assistant
Craig Schultz, Legal Research Analyst
Robert Bonsignore, Project Manager, SFCLP Quality Review
Joyce Earley, Supervisor of SFCLP
Anthony Kasperek, Construction Loan Officer III
Laura Shields, Credit Officer II
Jennifer Linett, Director of Loan Closings
Kim Sked, Senior Compliance Officer

Theresa Fink, Director of Finance
Cathy Bernard, Assistant Director of Multifamily Program Funding
Jeanette Nieves, Single Family Programs

OTHERS

PRESENT:

Rebecca Reape, Bank of America Merrill Lynch
Bob Purcell, Deputy Attorney General
Lisa LeBoeuf, Governor's Authority Unit
Chris Foglio, Community Investment Strategies
Karen Greiner, Clifton Larson Allen
Bill Early, Clift Larson Allen

- * Letter of February 23, 2016 designating Susan Fischer to represent Robert Lougy, Acting Attorney General
- ** Letter of February 11, 2016 designating Peter Simon to represent the Acting State Treasurer, Ford M. Scudder
- *** Letter of September 16, 2015 designating Thomas Hunt to represent Richard J. Badolato, Acting Commissioner, Department of Banking and Insurance
- **** Letter of November 12, 2015 designating Cathy Boland to represent Elizabeth Connelly, Acting Commissioner, Department of Human Services

May 26, 2016

Chairman Charles 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 electronic mail, regular mail and hand delivery on May 19, 2016 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 APRIL 28, 2016 MEETING OF THE HMFA BOARD – ITEM 1A

Thomas Hunt moved and Cathy Boland seconded. 1. Approval of Public Session Minutes of the April 28, 2016 meeting of the HMFA Board.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

HARDEST HIT FUND

HOMEKEEPER – APPROVAL OF REVISIONS TO THE PROGRAM GUIDELINES – ITEM 2A.

Thomas Hunt moved and Stanley Weeks seconded. 1. Approval to allocate Fifth Round (Phase 1 and 2) Hardest Hit Funds awarded by the U.S. Treasury Department to the New Jersey HomeKeeper Program. 2. Approval to use Hardest Hit Funds for the payment of administrative expenses relative to the Hardest Hit Fund Program. 3. Approval of revisions to the New Jersey HomeKeeper Guidelines for the Hardest Hit Fund (“Guidelines”) in the form attached hereto. 4. Authorization for the Executive Director to approve amendments to correct errors in or clarify the Guidelines, so long as such amendments do not result in a change in policy or implementation of the Guidelines as currently approved. Any amendments that would change the underlying policy or implementation of the Guidelines from the form in which it is now presented shall remain subject to Agency Board approval.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

HOME SAVER – APPROVAL OF REVISIONS TO THE PROGRAM GUIDELINES – ITEM 2B.

Thomas Hunt moved and Cathy Boland seconded. 1. Approval of revisions to the New Jersey Home Saver Guidelines for the Hardest Hit Fund (“Guidelines”) in the form attached hereto. 2. Authorization for the Executive Director to approve amendments to correct errors in or clarify the Guidelines, so long as such amendments do not result in a change in policy or implementation of the Guidelines as currently approved. Any amendments that would change the underlying policy or implementation of the Guidelines from the form in which it is now presented shall remain subject to Agency Board approval.

Aye – Charles Richman, Kavim Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

APPROVAL TO NEGOTIATE AND ENTER INTO LEASE AGREEMENT FOR OFFICE SPACE – ITEM 2C.
PULLED

SINGLE FAMILY

CHOICE #15-17 – ROSE HOMES – ROSELLE DEVELOPMENT II – APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 3A.

Stanley Weeks moved and Peter Simon seconded. 1. Approval of a financing commitment under the Choices in Home Ownership 2015 Program (“CHOICE 2015”), upon the terms and conditions set forth in the Request for Action, for a construction loan in the estimated amount of \$1,602,000 and a CHOICE 2015 Subsidy allocation in an amount not to exceed \$900,000 to Rose Homes, LLC (the “Sponsor”) or an entity to be formed by the Sponsor for the construction and completion of a project known as Rose Homes-Roselle Redevelopment II (the “Project”). The CHOICE 2015 construction loan will be secured by a co-first mortgage lien on the Project, sharing priority with a participating lender's construction financing. The CHOICE 2015 Subsidy loan will be secured by a second mortgage lien on the Project. 2. Authorization to provide 100% first mortgage financing, subject to program availability, through the 100% Financing Mortgage Program for 9 units (subject to program availability) mortgage loans to qualified purchasers of units in the Project, at the terms and conditions set forth in the Request for Action. 3. Authorization for the Executive Director, in consultation with the Attorney General’s Office, to take any action under an intercreditor agreement with a participating lender or CHOICE 2015 Program Guidelines that is necessary to protect the Agency’s financial interest in the construction loan and CHOICE 2015 Subsidy allocation.

Aye – Charles Richman, Kavim Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

CHOICE #11-88 – LINCOLN PARK CONDOMINIUMS – APPROVAL TO ADJUST SALE PRICES – ITEM 3B.

Thomas Hunt moved and Cathy Boland seconded. 1. Approval to adjust the sale prices. 2. Approval of a condition requiring the Sponsor to reimburse the Agency all excess CHOICE subsidy awarded based on the original sales prices. 3. Approval for the Executive Director, in consultation with the Attorney General’s Office, to take any action that is necessary to effectuate this transaction.

Aye – Charles Richman, Kavim Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee,
Nay – none
Abstained – Stanley Weeks

CHOICE #10-59 – THE WHITTAKER – APPROVAL OF AN EXTENSION OF THE NOTE – ITEM 3C.

Stanley Weeks moved and Cathy Boland seconded. 1. Approval of a final extension of the maturity date of the note for the project known as CHOICE # 10-59, The Whittaker. 2. Approval for the Executive Director, in consultation with the Attorney General’s Office, to take any action that is necessary to effectuate this transaction.

Tony Marchetta commented that the Agency is working closely with the project sponsor on marketing efforts to expedite the sales process.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

MULTI-FAMILY

APPROVAL OF VOLUME CAP SELECTION CRITERIA – ITEM 4A.

Cathy Boland moved and Thomas Hunt seconded. 1. Approval of the Volume Cap Selection Criteria (the “Selection Criteria”) to award volume cap in conjunction with HMFA’s Multifamily Tax Exempt Bond Financing Programs. 2. Delegation to the Executive Director to approve non-substantive amendments to the Selection Criteria, so long as such amendments do not result in a change in policy or implementation of the Selection Criteria as currently approved. Specifically, the Executive Director is authorized to approve corrections in spelling, punctuation and misnumbering. Any amendments that would change the underlying policy or implementation of the Selection Criteria from the form in it which is now presented shall remain subject to Agency Board approval.

Tony Marchetta commented that he is hopeful Treasury will grant the Agency additional volume cap in the near future.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

HMFA #03179 – RIVERWOOD CHASE APARTMENTS – APPROVAL OF A DECLARATION OF INTENT – ITEM 4B.

Thomas Hunt moved and Stanley Weeks seconded. 1. Approval of a “Declaration of Intent” stating the intention of the Agency, subject to the availability of volume cap, to issue tax- exempt bonds in an estimated amount not to exceed \$8,238,000 in construction and permanent financing for a project known as Riverwood Chase Apartments, HMFA #03179 (the “Project”), upon the terms and conditions set forth in the Request for Action. Approval of this "Declaration of Intent" will establish for tax purposes the eligibility of costs associated with pre-bond sale and development work on the Project. By this action, the Board expresses its present intent to issue bonds for this project, and declares its intent that the DOI be determined to be a declaration of official intent under Treas. Reg. ' 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended. The ability of the Project to conform to the Agency's Multifamily Underwriting Guidelines and Financing Policy (the “Guidelines”), as well as compliance with federal tax and other laws, has not yet been determined. This approval does not obligate the Agency to take any further action in connection with this Project, including any approval to allocate tax-exempt bond volume cap, to issue bonds or to provide first mortgage financing, gap financing or a tax credit allocation. This approval for a Declaration of Intent is not intended to give this Project any preference over any other project.

Aye – Charles Richman, Kavın Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

HMFA #03176 – OCEAN FAMILY APARTMENTS – APPROVAL OF A DECLARATION OF INTENT – ITEM 4C.

Cathy Boland moved and Thomas Hunt seconded. 1. Approval of a “Declaration of Intent” stating the intention of the Agency, subject to the availability of volume cap, to issue tax-exempt bonds in an estimated amount not to exceed \$8,981,000 in construction and permanent financing for a project known as Ocean Family Apartments, HMFA #03176 (the “Project”), upon the terms and conditions set forth in the Request for Action. Approval of this "Declaration of Intent" will establish for tax purposes the eligibility of costs associated with pre-bond sale and development work on the Project. By this action, the Board expresses its present intent to issue bonds for this project, and declares its intent that the DOI be determined to be a declaration of official intent under Treas. Reg. ' 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended. The ability of the Project to conform to the Agency's Multifamily Underwriting Guidelines and Financing Policy (the “Guidelines”), as well as compliance with federal tax and other laws, has not yet been determined. This approval does not obligate the Agency to take any further action in connection with this Project, including any approval to allocate tax-exempt bond volume cap, to issue bonds or to provide first mortgage financing, gap financing or a tax credit allocation. This approval for a Declaration of Intent is not intended to give this Project any preference over any other project.

Aye – Charles Richman, Kavın Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

MULTIFAMILY FUND FOR RESTORATION - FRM 3A

HMFA #031396 – KEANSBURG MIXED INCOME – APPROVAL OF A MODIFICATION TO THE MORTGAGE FINANCING COMMITMENT – ITEM 5A.

Thomas Hunt moved and Cathy Boland seconded. 1. Approval of a modification to the Agency mortgage for a project known as Keansburg Mixed Income, HMFA #03139 (the “Project”), upon the terms and conditions set forth in the Request for Action.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

SUPPORTIVE HOUSING

HMFA #02890/SSNHF #26 – FAIRMOUNT S. 10TH STREET – APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 6A.

Dorothy Blakeslee moved and Stanley Weeks seconded. 1. Approval of a mortgage loan re-commitment for an estimated \$3,950,000 construction and permanent financing from the Sandy Special Needs Housing Fund-Community Development Block Grant (“SSNHF-CDBG”), or any other funds available to the Agency for a project known as Fairmount S. 10th Street Apartments LLC, (the “Project”), upon the terms and conditions set forth in the Request for Action.

Commissioner Richman asked and Yirgu Wolde confirmed we are comfortable that the project will now move forward.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

HMFA #02828/SNHTF #321 – HERITAGE VILLAGE AT OCEAN – APPROVAL OF AN ADDITIONAL ENCUMBRANCE – ITEM 6B.

Thomas Hunt moved and Dorothy Blakeslee seconded. 1. Approval of an additional encumbrance upon the Heritage Village at Ocean project and the land (“the Project”) in the form of a subordinate mortgage lien securing a new HOME loan from the County of Monmouth in an estimated amount of \$110,095 from its Housing and Community Development Home Investment Partnership Program (the “HOME Loan”), subject to the conditions set forth in the Request for Action. 2. Authorization for the Executive Director, the Deputy Executor Director, the Chief Financial Officer, Chief of Administration or the Chief of Legal and Regulatory Affairs to execute any and all documents necessary to effectuate the above actions.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

REGULATORY AFFAIRS

HMFA #1269 – PLYMOUTH PLACE – APPROVAL OF TRANSFER OF OWNERSHIP AND ASSUMPTION OF THE EXISTING AGENCY FINANCING – ITEM 7A.

Dorothy Blakeslee moved and Thomas Hunt seconded. 1. Board approval of the transfer of ownership of Plymouth Place Family Apartments, HMFA #1269, from Plymouth Place, LP to Plymouth Palace, LLC. 2. Approval of the assumption of the existing Agency financing by the buyer of the Project. 3. Waiver of the Portfolio Reserve Account payment required under N.J.A.C. 5:80-5.9(a)1. 4. Authorization for the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the Chief of Administration, the Chief of Credit and Business Development, or the Chief of Legal and Regulatory Affairs to execute any and all documents necessary to effectuate the above actions.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

HMIS

APPROVAL TO ENTER INTO A MEMORANDUM OF AGREEMENT BETWEEN HMFA AND THE DEPARTMENT OF CHILDREN AND FAMILIES – ITEM 8A.

Cathy Boland moved and Dorothy Blakeslee seconded. 1. Approval of a Memorandum of Agreement between the New Jersey Housing and Mortgage Finance Agency (“HMFA”) and the Department of Children and Families (“DCF”). 2. Authorization for the Executive Director, or any Chief in consultation with the Attorney General’s Office, to execute any and all documents necessary to effectuate the above action.

Dottie Blakeslee commented that she understand confidential information will not be released, but asked if there will be a result report produced. Donna Rendeiro confirmed that any reports generated would be produced in aggregate form.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks
Nay - none

OTHER BUSINESS

HMFA 2016 MULTIFAMILY REVENUE BONDS PRESENTATION

Rebecca Reape presented a summary of the recent 2016 Multifamily Bond Transaction to the Agency Board. It was one of the largest new money transactions in the Agency’s history, and included the refunding of approximately \$7 mil in 2006 bonds. The bond issue provided financing for 19 new affordable housing projects. Bank of America was the direct purchaser of approx. \$53 million in bonds, and an additional 19 investors participated in the transaction.

RESOLUTION OF APPRECIATION FOR CARILYN WILLIS

Thomas Hunt moved and Cathy Boland seconded approval of Resolution of Appreciation for Carilyn Willis.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks

Nay - none

MOTION TO ADJOURN

Peter Simon moved and Stanley Weeks seconded a motion to adjourn at 10:41 am.

Aye – Charles Richman, Kavin Mistry, Peter Simon, Cathy Boland, Thomas Hunt, Dorothy Blakeslee, Stanley Weeks

Nay - none



State of New Jersey
OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LAW AND PUBLIC SAFETY
PO Box 080
TRENTON NJ 08625-0080

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

JOHN J. HOFFMAN
Acting Attorney General

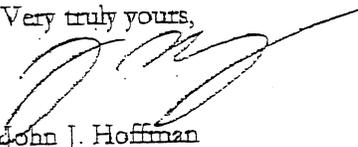
February 23, 2016

Charles A. Richman, Chairman
New Jersey Housing and
Mortgage Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, New Jersey 08650-2085

Dear Chairman Richman:

I hereby designate Susan K. Fischer, Assistant Attorney General, to represent me in my absence at the meetings of the New Jersey Housing and Mortgage Finance Agency. In the event of AAG Fischer's absence, Aimee Manocchio Nason, Deputy Attorney General, is authorized to vote in my stead and to otherwise act on my behalf. In the event of the absence of both AAG Fischer and DAG Manocchio Nason, Kavin K. Mistry, Assistant Attorney General, is authorized to vote in my stead and to otherwise act on my behalf.

Very truly yours,


John J. Hoffman
Acting Attorney General

c: Secretary of State
Anthony Marchetta, Executive Director, NJHMFA
Susan K. Fischer, Assistant Attorney General
Kavin K. Mistry, Assistant Attorney General
Aimee Manocchio Nason, Deputy Attorney General





State of New Jersey
Office of the State Treasurer
PO Box 002
TRENTON NJ 08625-0002

CHRIS CHRISTIE
Governor
Kim Guadagno
Lt. Governor

Ford M. Scudder
Acting State Treasurer

February 11, 2016

Anthony L. Marchetta, Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Avenue
PO Box 18550
Trenton, NJ 08650

Dear Mr. Marchetta:

I hereby designate Peter Simon, Department of Treasury to act as my permanent designee at all the meetings of the New Jersey Housing and Mortgage Finance Agency. Robert Shaughnessy, Department of Treasury will serve as back-up should Peter not be available to attend.

Sincerely,

A handwritten signature in black ink that reads "Ford M. Scudder".

Ford M. Scudder
Acting State Treasurer



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

OFFICE OF THE COMMISSIONER

PO Box 325

TRENTON, NJ 08625-0325

TEL (609) 292-7272

CHRIS CHRISTIE
Governor

KIM GUADAGNO
LE Governor

RICHARD J. BADOLATO
Acting Commissioner

September 16, 2015

Anthony Marchetta
Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Avenue - PO Box 18550
Trenton, NJ 08650

Re: Board Meeting Designee

Dear Mr. Marchetta:

My designee for the New Jersey Housing Mortgage and Finance Agency Board meetings is Thomas Hunt, Deputy Assistant Director, Office of Consumer Finance.

If you have any questions, please do not hesitate to call Mr. Hunt at (609) 292-7272, ext. 50223.

Very truly yours,

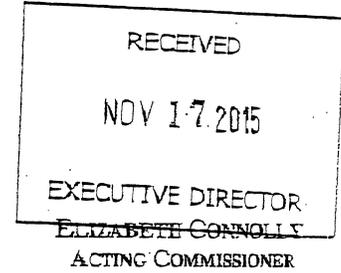
A handwritten signature in cursive script, appearing to read "Richard J. Badolato".

Richard J. Badolato
Acting Commissioner

Thomas Hunt, Assistant Deputy Director



State of New Jersey
DEPARTMENT OF HUMAN SERVICES
PO Box 700
TRENTON, NJ 08625-0700



CHRIS CHRISTIE
GOVERNOR

KIM GUADAGNO
Lt. Governor

November 12, 2015

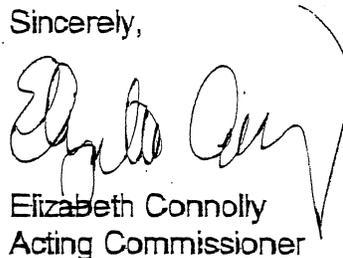
Anthony Marchetta, Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Avenue
Trenton, NJ 08650-2085

Dear Mr. Marchetta:

Please be advised that Valerie Mielke, Assistant Commissioner for the Division of Mental Health and Addiction Services, will be the Department's representative for board meetings of the New Jersey Housing and Mortgage Finance Agency. In her absence, Cathy Boland will be her designee and will have full authority to represent and take action on matters related to the Department of Human Services.

We appreciate the opportunity to participate in meetings of the HMFA Board and look forward to continuing to promote affordable housing needs for our citizens.

Sincerely,



Elizabeth Connolly
Acting Commissioner

EC:3
c: Valerie Mielke
Cathy Boland