

CERTIFICATE OF SECRETARY

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

I, Marge Della Vecchia, Executive Director hereby certify that I am the Secretary of the New Jersey Housing and Mortgage Finance Agency, and as the Secretary, I certify that the attached copy of the proceedings of the Board Meeting of the New Jersey Housing and Mortgage Finance Agency is a true and correct copy of the minutes of the December 20, 2007 meeting of the Agency.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Housing and Mortgage Finance Agency this 20th day of December 2007.



Marge M. Della Vecchia, Secretary
New Jersey Housing and Mortgage Finance Agency

FINAL

**MINUTES OF THE 311TH BOARD MEETING
OF THE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

MEMBERS:

- Joseph Doria, Acting Commissioner, DCA, Chairman
- * Robert Romano, Assistant Attorney General
(representing Anne Milgram, Attorney General)
- ** Steve Petrecca, Assistant Manager, Office of the State Treasurer
(representing Michellene Davis, Acting State Treasurer)
- *** Thomas Hunt, Assistant Director, Office of Consumer Finance, Department of Banking and Insurance (representing Steven Goldman, Commissioner, Department of Banking and Insurance), Vice Chairman
- **** Patti Holland, Assistant Director, Office of Housing and Community Development, Division of Mental Health Services
(representing Jennifer Velez, Commissioner, Department of Human Services)
Monsignor William Linder
Patrick Sheehan
Michael Steele

**OFFICIALS
PRESENT:**

- Marge Della Vecchia, Executive Director
- Claudia Lovas, Director of Program Development
- Michael Floyd, Chief of Program Services
- Leslie Lefkowitz, Chief of Regulatory Affairs
- Lenore Rosner, Chief of Operations
- Jim Hall, Assistant Director, Single Family
- Todd Evans, Director, Capital Markets
- Terry Fink, Director of Finance
- Michael Staton, Director of Multifamily Programs and Credits
- Darryl Applegate, Director of Regulatory Affairs
- Pam McCrory, Director of Supported Housing and Special Needs
- Tony Cupano, Director of Property Management
- Jerry Keelen, Director, Single Family
- Debra Urban, Director of Tax Credits
- John Murray, Director of Multifamily Lending
- Bruce Blumenthal, Community Development Ombudsman
- Barbara Geary, Legal Affairs Officer will present the item
- Gira Desai, Director of Government Relations
- Teresa White Manager, Tax Credit Allocations
- Harry Stevens, General Services Assist
- Carilyn Willis, Executive Secretary

OTHERS

PRESENT:

Robert Shaughnessy, Deputy Attorney General
Laura Shea, Deputy Attorney General
Jennifer Linett, Deputy Attorney General
Bob Purcell, Deputy Attorney General
Sonia Fronteria, Governor's Authority Unit
Mike Toth, George K. Baum & Company
Joan Knox
Marcellin William, tenant Kuzuri Kijiji housing project
Tracey Slaughter, tenant Kuzuri Kijiji housing project
Lena Slaughter, tenant Kuzuri Kijiji housing project
Denise Slaughter, tenant Kuzuri Kijiji housing project
Terry Swanson-Tucker, tenant Kuzuri Kijiji housing project
Pat Williams
Robert Sauselein, NJ Department of Military and Veterans Affairs
John Crotty, JP Morgan Securities

- * Letter of June 18, 2007 designating Robert Romano to represent the Attorney General
- ** Letter of February 8, 2006 designating Steve Petrecca to represent the State Treasurer
- *** Letter of January 3, 2007, designating Thomas Hunt to represent Steven Goldman, Commissioner, Department of Banking and Insurance
- **** Letter of February 22, 2007 designating Patti Holland, to represent Jennifer Velez, Commissioner, Department of Human Services

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 December 11, 2007 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."

SINGLE FAMILY

CHOICE #07-17 – MILLVILLE RESURGENCE – APPROVAL OF A FINANCING COMMITMENT – ITEM 1A.

Monsignor Linder moved and Patrick Sheehan seconded 1. Approval of a financing commitment under the Choices in Home Ownership Incentives Created for Everyone ("CHOICE") Program, upon the terms and conditions set forth below, for a construction loan in the estimated amount of \$938,685 and a CHOICE Subsidy allocation in an amount not to exceed \$1,475,000 to Holly City Development Corporation (the "Sponsor") or an entity to be formed by the Sponsor for the construction and completion of the project. 2. Authorization to provide 100% financing, subject to program availability, through our 100% Financing Mortgage Program for 18 end 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 the Intercreditor Agreement or CHOICE program documents that is necessary to protect the Agency's financial interest in the construction loan and CHOICE Subsidy allocation.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan
Nay-None*

MERIDIAN HEALTH – APPROVAL TO PARTICIPATE AS A GUARANTOR UNDER THE HOMEOWNERSHIP FOR PERFORMING EMPLOYEES (HOPE) PROGRAM – ITEM 1B.

Patrick Sheehan moved and Monsignor Linder seconded 1. Approval of Meridian Health System, Inc., a nonprofit corporation based in Wall Township, Monmouth County, for participation as a guarantor under the Agency's Homeownership for Performing Employees (HOPE) program. Under this program, Meridian Health System, Inc. is approved to guarantee 20% of each Agency mortgage loan made to an eligible employee for up to a maximum of ten (10) employees over a period of five (5) years from the date of this approval.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan
Nay-None*

SINGLE FAMILY SUB-SERVICER – APPROVAL TO AWARD CONTRACTS – ITEM 1C.

Robert Romano moved and Steve Petrecca seconded 1. Approval of an Award of Contract to Dovenmuehle Mortgage, Inc. (“DMI”) for the sub-servicing of Mortgage Revenue Bond (MRB) Single Family loans currently being sub-serviced by DMI and for the sub-servicing of newly originated MRB loans. 2. Approval of an Award of Contract to Aurora Financial Group, Inc. for the sub-servicing of MRB Single Family loans currently being sub-serviced by Aurora Financial Group, Inc. and for the sub-servicing of newly originated MRB loans. 3. Approval of an Award of Contract to Aurora Financial Group, Inc. for the sub-servicing of existing Single Family Special Program loans currently being sub-serviced by Aurora Financial Group, Inc. and for newly originated Single Family Special Program loans. 4. Approval of an Award of Contract to Aurora Financial Group, Inc. for the sub-servicing of 50% of the existing Police and Firemen Retirement System (PFRS) loans currently being sub-serviced by DMI and for newly originated PFRS loans. 5. Approval of an Award of Contract to Cenlar FSB for the sub-servicing of 50% of the existing Police and Firemen Retirement System loans currently being sub-serviced by DMI and for newly originated PFRS loans. 6. Authorization for the Executive Director, Chief Operating Officer, Chief Financial Officer, Chief of Legal and Regulatory Affairs or any Assistant Executive Director, with the concurrence of the Attorney General’s Office, to execute contracts with Dovenmuehle Mortgage Inc., Aurora Financial Group, Inc. and Cenlar FSB.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Monsignor Linder,
Michael Steele, Patrick Sheehan*

Abstained-Thomas Hunt

Thomas Hunt abstained due to the fact that he along with the Department of Banking and Insurance work closely with Aurora and its Principals as they are member of the Lender Advisory Board.

Nay-None

MULTIFAMILY

HMFA #2182 - A HARRY MOORE PHASE II (HOPE VI) – APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 2A.

Michael Steele moved and Monsignor Linder seconded 1. Approval of a mortgage recommitment for an estimated \$875,000 in permanent financing for a project known as A. Harry Moore, Phase II, HMFA #2182, upon the terms and conditions set forth in the Request for Action.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*

Nay-None

HMFA #1411 – HILLCREST MANOR SENIOR RESIDENCE – APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 2B.

Michael Steele moved and Patti Holland seconded 1. Approval of an extension of a mortgage commitment for permanent financing from the sale of tax-exempt bonds or other funds available to the Agency for a project known as Hillcrest Manor Senior Residence, HMFA #1411. This commitment extension will expire on June 30, 2008. The Executive Director is authorized to extend the commitment for two additional consecutive three-month periods, if deemed appropriate in her sole discretion. All other terms and conditions of the request for action dated September 21, 2006 regarding this project shall remain the same.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*

Nay-None

MULTI-FAMILY/SUPPORTIVE HOUSING

HMFA #1465/DDHP #17 – MILLVILLE SENIOR HOUSING – APPROVAL OF A MORTGAGE FINANCING RECOMMITMENT – ITEM 3A.

Monsignor Linder moved and Steve Petrecca seconded 1. Approval of a mortgage recommitment for an estimated \$300,000 in permanent financing from the Division of Developmental Disabilities' Community Housing Program component of the New Jersey Community Housing Partnership Program (NJCHPP), for a project known as Millville Senior Housing, HMFA #1465/DDHP #17, upon the terms and conditions set forth in the Request for Action.

Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Patrick Sheehan
Nay-None

SUPPORTIVE HOUSING/SPECIAL NEEDS HOUSING TRUST FUND

HMFA #02354/SNHTF #109 - EMMA PLACE SUPPORTIVE HOUSING – APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 4A.

Patrick Sheehan moved and Michael Steele seconded 1. Approval for a mortgage commitment for an estimated \$668,000 in construction and permanent financing from the Special Needs Housing Trust Fund or any other funds available to the Agency for a project known as Emma Place Supportive Housing, HMFA #02354, SNHTF #109 upon the terms and conditions set forth in the Request for Action.

Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Patrick Sheehan
Nay-None

HMFA #02315/SNHTF #118 – ALTERNATIVES HOMES, HUD 811, 2005 – APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 4B.

Monsignor Linder moved and Patrick Sheehan seconded 1. Approval of a grant commitment for an estimated amount of \$179,000 in construction and permanent financing from the Special Needs Housing Trust Fund for a project known as Alternatives Homes HUD 811, 2005, HMFA #02315, SNHTF #118 upon the terms and conditions set forth in the Request for Action.

Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Patrick Sheehan
Nay-None

HMFA #02378 – VETERANS HAVENS – APPROVAL OF A FUNDING COMMITMENT – ITEM 4C.

Robert Sauselein, New Jersey Department of Military and Veterans Affairs, spoke in support of the Veterans Haven project. He stated that Veterans Haven is a two-year program designed to assist homeless veterans with jobs and other services needed to make them productive citizens. He further advised the Board that there are currently between 6,000 and 7,000 homeless veterans in New Jersey.

Michael Steele moved and Steve Petrecca seconded 1. Approval of a grant commitment for the balance of the funds remaining in the Affordable Housing Program (AHP) in the estimated amount of \$2,950,475 for the project known as Veterans Haven HMFA #02378 upon the terms and conditions set forth in the Request for Action. 2. Approval of a waiver to the AHP Plan and Procedures Guidelines to permit the New Jersey Department of Military and Veterans Affairs (DMAVA) to act as the eligible applicant. 3. Approval of a waiver to the AHP Plan and Procedures Guidelines to permit a per unit funding amount in excess of \$10,000.

Chairman Doria commented on the importance of providing this type of housing at this time in history with so many veterans coming home.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan
Nay-None*

HMFA #2162/SNHTF #23 – RIGHTS OF PASSAGE – APPROVAL TO MODIFY THE FINANCING COMMITMENT – ITEM 4D.

Michael Steele moved and Monsignor Linder seconded 1. Approval to modify the mortgage loan commitment to a loan and/or grant commitment for an amount not to exceed \$4,000,000 in construction and permanent financing from the Special Needs Housing Trust Fund for a project known as Rights of Passage, HMFA #2161/SNHTF #23, upon the terms and conditions set forth in the Request for Action.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan
Nay-None*

HMFA #02319/SNHTF #122 – VAN SCIVER SUPPORTIVE HOUSING – APPROVAL OF A DECLARATION OF INTENT – ITEM 4E.

Robert Romano moved and Patrick Sheehan seconded 1. Approval of a “Declaration of Intent” stating the intention of the Agency to fund a project known Van Sciver Supportive Housing, HMFA #02319 / SNHTF #122, from the Special Needs Housing Trust Fund, or any other available funds, in an estimated amount of \$1,946,000 in construction and permanent financing by way of a first mortgage loan.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan
Nay-None*

Executive Director Marge Della Vecchia updated the Board on the number of beds/units created under the Special Needs Housing Trust Fund. To date, we have committed \$62 million to finance 620 units/beds. The \$62 million in funding leveraged another \$76 million.

TAX CREDITS

APPROVAL OF THE PROPOSED 2008 QUALIFIED ALLOCATION PLAN (QAP) – ITEM 5A.

Steve Petrecca moved and Patrick Sheehan seconded 1. Approval of the publication of the 2008 Low Income Housing Tax Credit Qualified Allocation Plan as a proposed amendment to Agency regulations N.J.A.C. 5:80-33.1 et seq., substantially in the form hereto for public hearing and public comment prior to adoption. 2. The Agency requests that the Board delegate to the Executive Director authority to approve amendments to correct errors in or clarify the QAP prior to its publication as a proposal in the New Jersey Register, so long as such amendments do not result in a change in policy or implementation of the plan as currently presented. Any amendments that would change the underlying policy or implementation of the QAP from the form in which it is now presented, or to be made after the proposal's publication in the New Jersey Register shall remain subject to Board approval.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*
Nay-None

FINANCE

APPROVAL TO AMEND THE RESOLUTION AUTHORIZING SIGNATORIES FOR AGENCY ACCOUNTS – ITEM 6A.

Monsignor Linder moved and Robert Romano seconded 1. Approval of the Resolution authorizing revisions to the Authorized Signatories of the Agency Bank Accounts.

Executive Director Della Vecchia stated that this was a housekeeping item and approval was needed to add two titles to the authorized signatory list for Agency bank accounts.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*
Nay-None

APPROVAL OF A RESOLUTION OF THE HMFA AUTHORIZING ACTIONS WITH REGARD TO THE CAPITAL FUND REVENUE BOND PROGRAM – ITEM 6B.

Robert Romano moved and Thomas Hunt seconded 1. Approval of the Resolution of the New Jersey Housing and Mortgage Finance Agency, as attached to the Request for Action, (“the Agency”) Authorizing Various Actions in Connection with and in Anticipation of the Mandatory Redemption of a Portion of the Agency’s Capital Fund Program Revenue Bonds, 2004 Series A from Unspent Proceeds of a Portion of the Bonds Applicable to the Proportionate Share of the Housing Authority of the City of Long Branch.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*
Nay-None

APPROVAL OF A WAIVER OF EXECUTIVE ORDER NO. 26 TO ISSUE SINGLE FAMILY BONDS VIA NEGOTIATED SALE – ITEM 6C.

Patrick Sheehan moved and Thomas Hunt seconded 1. Approval to issue, in an amount to be determined at a later date, tax-exempt and/or taxable single-family housing revenue refunding and new money bonds by negotiated sale pursuant to the requirements of the "Agency's Procedures Pursuant to Executive Order No. 26 dated October 25, 1994". Staff is hereby directed to send a copy of this resolution to the State Treasurer in accordance with Executive Order No. 26.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*

Nay-None

APPROVAL OF A WAIVER OF EXECUTIVE ORDER NO. 26 TO ISSUE MULTIFAMILY BONDS VIA NEGOTIATED SALE – ITEM 6D.

Thomas Hunt moved and Patrick Sheehan seconded 1. Approval to issue, in an amount currently estimated to be \$100 million, tax-exempt and/or taxable multi-family housing revenue bonds by negotiated sale pursuant to the requirements of the "Agency's Procedures Pursuant to Executive Order No. 26 dated October 25, 1994". Staff is hereby directed to send a copy of this resolution to the State Treasurer in accordance with Executive Order No. 26.

*Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Patrick Sheehan*

Nay-None

PUBLIC MEMBERS

Denise Slaughter and Terry Swanson-Tucker, both tenants of the HMFA project known as Kuzuri Kijiji located in East Orange, addressed the Board. The issues presented to the Board included an argument against a proposed 15% rent increase, a argument against a new parking fee for tenants with cars to cover increased utility expenses and the unsafe and unsanitary conditions of the apartments.

Commissioner Doria stated that the issues discussed before the Board were unacceptable and he assured the tenants that HMFA staff would follow up on these issues. He thanked the tenants for bringing these issues to the attention of the Board.

OTHER BUSINESS

With regard to Work Force Housing programs, Executive Director Marge DellaVecchia advised the Board that HMFA is actively marketing the HOPE Program. She stated that a second city, the City of New Brunswick, has signed on to participate in the Live Where You Work Program and that there were other municipalities interested in participating.

APPROVAL OF MINUTES

APPROVAL OF THE MINUTES OF THE AGENCY'S BOARD MEETING HELD DECEMBER 20, 2007 IN SUBSTANTIALLY FINAL FORM - ITEM 8A.

Michael Steele moved and Monsignor Linder seconded approval of the minutes of the Agency's Board Meeting held December 20, 2007 in substantially final form.

Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Patrick Sheehan

Nay-None

MOTION TO ADJOURN

Robert Romano moved and Steve Petrecca seconded a motion to adjourn at 10:45 a.m.

Aye-Joseph Doria, Robert Romano, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Patrick Sheehan

Nay-None



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

JON S. CORZINE
Governor

STUART RABNER
Attorney General

June 18, 2007

Honorable Susan Bass Levin, Commissioner
Department of Community Affairs
New Jersey Housing and Mortgage Finance Agency
P.O. Box 800
Trenton, NJ 08625-0800

Dear Commissioner Levin:

I hereby designate Robert Romano, 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 Romano's absence, Deputy Attorney General Susan Fischer is authorized to vote in my stead and to otherwise act on my behalf.

Very truly yours,

Stuart Rabner
Attorney General

sav

c: Nina Wells, Secretary of State
Robert Romano, Assistant Attorney General
Susan Fischer, Deputy Attorney General





State of New Jersey
OFFICE OF THE STATE TREASURER
PO Box 002
TRENTON, NJ 08625-0002

S. CORZINE
Governor

BRADLEY I. ABELow
Acting State Treasurer

February 8, 2006

Marge DellaVecchia, Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Avenue
PO Box 18550
Trenton, NJ 08650

Dear Ms. DellaVecchia:

I hereby designate Steve Petrecca, to act as my permanent designee at all meetings of the New Jersey Housing and Mortgage Finance Agency.

Sincerely,

A handwritten signature in cursive script that reads "Bradley Abelow".

Bradely I. Abelow
Acting State Treasurer



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
OFFICE OF THE COMMISSIONER
PO BOX 325
TRENTON, NJ 08625-0325

RECEIVED
JAN 08 2007
EXECUTIVE DIRECTOR

JON S. CORZINE
Governor

TEL (609) 292-5360

STEVEN M. GOLDMAN
Commissioner

January 3, 2007

Marge Della Vecchia
Executive Director
NJ Housing and Mortgage
Finance Agency
637 South Clinton Avenue
PO Box 18550
Trenton, NJ 08650

Attention: Carilyn Willis

Re: 294th Board Meeting

Dear Ms. Della Vecchia:

Thomas Hunt, Acting Assistant Director, Office of Consumer Finance of the Department's Division of Banking, has been authorized to be my designee, with voting power, for all 2007 NJ Housing and Mortgage Finance Agency meetings.

If you have any questions, please do not hesitate to call Mr. Hunt at (609) 292-5360, ext. 50223.

Very truly yours,

STEVEN M. GOLDMAN
Commissioner

c: Thomas Hunt
Assistant Director

Terry McEwen
Director of Banking



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

PO Box 700

TRENTON, NJ 08625-0700

JON S. CORZINE
Governor

JENNIFER VELEZ
Acting Commissioner

February 22, 2007

Marge Della Vecchia
Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Street
Trenton, NJ 08650-2085

Dear Ms. Della Vecchia:

Please be advised that Kevin Martone, Assistant Commissioner, Division of Mental Health Services, will be the Department's designee to all board meetings of the New Jersey Housing and Mortgage Finance Agency. Mr. Martone has full authority to represent and take action on matters related to the Department of Human Services. In Mr. Martone's absence, the designee will be Patti Holland, Assistant Director, Office of Housing and Community Development within the Division of Mental Health 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,

Jennifer Velez
Acting Commissioner

JV:3:cg

c: Kevin Martone
Patti Holland