

**MINUTES OF THE 367<sup>TH</sup> BOARD MEETING  
OF THE  
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

**MEMBERS:**

- Lori Grifa, Commissioner, DCA
- \* Charles Richman, Assistant Commissioner, DCA
- \*\* Susan Fischer, Assistant Attorney General  
(representing Paula Dow, Attorney General)
- \*\*\* Robert Romano, Deputy State Treasurer, Department of Treasury  
(representing Andrew Sidamon-Eristoff, State Treasurer)
- \*\*\*\* Thomas Hunt, Assistant Director, Office of Consumer Finance, Department of Banking and Insurance  
(representing Thomas Considine, 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  
(representing Jennifer Velez, Commissioner, Department of Human Services)
- Monsignor William Linder
- Dorothy Blakeslee
- Stanley Weeks
- Patricia Mueller

**OFFICIALS**

**PRESENT:**

- Anthony Marchetta, Executive Director
- Tracee Battis, Chief of Programs
- Donna Rendeiro, Chief of Staff
- Lenore Rosner, Chief of Operations
- Leslie Lefkowitz, Chief of Legal and Regulatory Affairs
- David Bonomo, Chief Financial Officer
- Michael Floyd, Chief of Program Services
- Claudia Lovas, Director of Program Development
- Laura Shea, Director of Housing Affordability Services (HAS)
- Darryl Applegate, Director of Regulatory Affairs
- Michael Staton, Director of Multifamily Programs and Credits
- John Murray, Director of Multifamily Lending
- Yirgu Wolde, Supported Housing and Special Needs Loan Manager
- Todd Evans, Director of Capital Markets
- Terry Fink, Director of Finance
- Dawn Parreott, Legislative Liaison
- Amy Palmer, Program Outreach Coordinator
- Colleen Smith, Urban Coordinator
- Bruce Blumenthal, Community Development Ombudsman
- Jerry Keelen, Director of Single Family
- Dana Irlbacher, Assistant Director of Single Family
- Nancy Zielinski, Community Development Officer
- Harry Stevens, General Services Assistant
- Carilyn Willis, Executive Secretary

OTHERS

PRESENT:

Kavin Mistry, Deputy Attorney General  
Nicole Crifo, Governor Authority Unit  
Gina Plutino, Women Aware, Inc.  
Phyllis Adams, Women Aware, Inc.  
Mike Stephens  
Richard James  
James O'Donohue, Esquire, Hill Wallack  
Robert Basco, Esquire, Hill Wallack  
Hlii Wallack LLP, Special Counsel to HMFA

- \* Letter dated December 8, 2011 designating Charles Richman to representing Lori Grifa, Commissioner, DCA
- \*\* Letter of April 12, 2011 designating Susan Fischer to represent the Attorney General
- \*\*\* Letter of December 10, 2010 designating Robert Romano to represent the State Treasurer, Andrew Sidamon-Eristoff
- \*\*\*\* Letter of July 2, 2010 designating Thomas Hunt to represent Thomas Considine, Commissioner, Department of Banking and Insurance
- \*\*\*\*\* Letter of July 8, 2011 designating Cathy Boland 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 November 30, 2011 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 MINUTES OF THE NOVEMBER 10, 2011 MEETING OF THE HMFA BOARD – ITEM 1A.

*After the Board meeting it was determined that there were not sufficient affirmative votes to approve the minutes. The minutes will be presented to the Board at the next regularly scheduled meeting.*

SINGLE FAMILY – CHOICE COMMITMENTS

CHOICE #11-81 - ALL SAINTS – APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 2A.

*Thomas Hunt moved and Robert Romano seconded* 1. Approval of a financing commitment under the Choices in Home Ownership (“CHOICE”) 2011 Program, upon the terms and conditions set forth in the Request for Action, for a construction loan in the estimated amount of \$1,579,304 and a CHOICE Subsidy allocation in an amount not to exceed \$1,050,000 to Community Asset Preservation Alliance #2 of Jersey City Urban Renewal, LLC (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 the 100% Financing Mortgage Program for 25 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 Guidelines that is necessary to protect the Agency’s financial interest in the construction loan and CHOICE Subsidy allocation.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Stanley Weeks  
Nay-None*

*Patricia Mueller arrived at 10:10 a.m.*

CHOICE #11-80 – EASTWIND - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 2B.

*Thomas Hunt moved and Stanley Weeks seconded* 1. Approval of a financing commitment under the Choices in Homeownership Program (“CHOICE”), upon the terms and conditions set forth below, for a construction loan in the estimated amount of \$3,347,110 and a CHOICE Subsidy allocation in an amount not to exceed \$1,108,261 to Baltic Development Group, LLC (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 the 100% Financing Mortgage Program for 25 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-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

CHOICE #11-85 - NELSON HOUSE/WASHINGTON HALL - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 2C.

*Thomas Hunt moved and Monsignor Linder seconded* 1. Approval of a financing commitment under the Choices in Home Ownership (“CHOICE”) 2011 Program, upon the terms and conditions set forth in the Request for Action, for a construction loan in the estimated amount of \$831,314 and a CHOICE Subsidy allocation in an amount not to exceed \$1,500,000 to Tri County Real Estate Maintenance Co., Inc. (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 the 100% Financing Mortgage Program for 25 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 Guidelines that is necessary to protect the Agency’s financial interest in the construction loan and CHOICE Subsidy allocation.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

CHOICE #11-87 – ROSEVILLE HOMES - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 2D.

*Thomas Hunt moved and Susan Fischer seconded* 1. Approval of a financing commitment under the Choices in Home Ownership (“CHOICE”) 2011 Program, upon the terms and conditions set forth in the Request for Action, for a construction loan in the estimated amount of \$1,506,100 and a CHOICE Subsidy allocation in an amount not to exceed \$1,100,000 to Roseville Homes, LLC (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 the 100% Financing Mortgage Program for 22 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 Guidelines that is necessary to protect the Agency’s financial interest in the construction loan and CHOICE Subsidy allocation.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

SINGLE FAMILY- OTHER

UNIFORM HOUSING AFFORDABILITY CONTROLS RULES (UHAC) – APPROVAL OF WAIVER – ITEM 2E

*Thomas Hunt moved and Robert Romano seconded* 1. Approval of a waiver of N.J.A.C. 5:80-26.5(c), known as the “Anti-foreclosure Provision”, pursuant to N.J.A.C. 5:80-19.1 (section that permits Agency waivers under certain circumstances) for a period not to exceed 24 months for the sole benefit of enabling mortgage loan financing insured by FHA insurance to be obtained by purchasers of affordable housing units governed by the Uniform Housing Affordability Controls (“UHAC”). 2. Approval of a waiver of N.J.A.C. 5:80-26.5(e), which provides for the continued affordability designation of an affordable unit even after a mortgage on such unit has been foreclosed, for a period not to exceed 24 months for the sole benefit of enabling FHA insurance to be obtained to facilitate mortgage loan financing to purchasers of affordable housing units governed by UHAC. 3. Authorization for the Executive Director, subject to Attorney General review and approval, to make such changes to the documents set forth in the UHAC Appendices as are necessary to effectuate the waiver(s).

*The following will be added to the Request for Action: Staff will provide the HMFA Board with a quarterly report which will assess whether the waivers are positively impacting the ability to sell and finance affordable housing units, as well as how many units have lost their affordable housing designation.*

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

## FORECLOSURE PREVENTION INITIATIVES

### APPROVAL OF REVISIONS TO THE NEW JERSEY HOMEKEEPER PROGRAM GUIDELINES – ITEM 3A.

*Thomas Hunt moved and Monsignor Linder seconded* 1. Approval of revisions to the New Jersey HomeKeeper Program Guidelines, in the Request for Action in substantially final form, conditioned upon final approval from the U.S. Treasury Department. 2. Approval to allow the Executive Director, in consultation with the Attorney General's Office, to make any subsequent changes to the Program Guidelines that may be required by the U.S. Treasury Department.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*  
*Nay-None*

### MULTI-FAMILY-SMALL RENTAL HOUSING LOAN PROGRAM COMMITMENTS

#### HMFA #02663/SNHTF #263 - BERGEN COURT APARTMENTS – APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 4A.

*Stanley Weeks moved and Thomas Hunt seconded* 1. Approval of a mortgage commitment for an estimated \$121,000 in permanent financing from the Small Rental Project Loan Program for a project known as Bergen Court Apartments, HMFA #02663/SNHTF #263 (the "Project"), upon the terms and conditions set forth in the Request for Action. 2. Approval of a mortgage commitment for an estimated \$149,887 in permanent financing by way of a second mortgage subsidy loan from the Small Rental Project Loan Program for a project known as Bergen Court Apartments, HMFA #02663/SNHTF #263 (the "Project"), upon the terms and conditions set forth in the Request for Action. 3. Approval of a mortgage commitment for an estimated \$400,000 in construction and permanent financing by way of a third mortgage subsidy loan from the Special Needs Housing Trust Fund Program for a project known as Bergen Court Apartments, HMFA #02663/SNHTF #263 (the "Project"), upon the terms and conditions set forth in the Request for Action.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*  
*Nay-None*

#### HMFA #02468 – VANDERBILT AVENUE APARTMENTS - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 4B.

*Monsignor Linder moved and Thomas Hunt seconded* 1. Approval of a mortgage commitment for an estimated \$414,000 permanent financing from the Small Rental Project Loan Program for a project known as Vanderbilt Avenue Apartments, HMFA #02468 (the "Project"), upon the terms and conditions set forth in the Request for Action. 2. Approval of a second mortgage subsidy loan commitment for an estimated \$600,000 from the Small Rental Project Loan Program for a project known as Vanderbilt Avenue Apartments, HMFA #02468, upon the terms and conditions set forth in the Request for Action.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*  
*Nay-None*

SUPPORTIVE HOUSING

HMFA #02672/SNHTF #272 - PROMISE HOUSE - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 5A.

*Monsignor Linder moved and Thomas Hunt seconded 1.* Approval of a mortgage commitment in the estimated amount of \$925,000 in construction and permanent financing from the Special Needs Housing Trust Fund for a project known as Promise House, HMFA #02672/ SNHTF #272 (the “Project”), upon the terms and conditions set forth in the Request for Action.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

HMFA #02666/SNHTF #266 - LIVINGSTON AVENUE SUPPORTIVE HOUSING - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 5B.

*Monsignor Linder moved and Susan Fischer seconded 1.* Approval of a mortgage commitment for an estimated \$566,000 in construction and permanent financing from the Special Needs Housing Trust Fund (“SNHTF”) for a project known as Livingston Avenue Supportive Housing, HMFA #2666 (the “Project”), upon the terms and conditions set forth in the Request for Action.

*Phyllis Adams addressed the Board. Ms. Adams provided the Board with a background of the sponsor, Women Aware, Inc. She also thanked the Board for considering the financing of the Livingston Avenue Supportive Housing Project.*

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

HMFA #02717/SNHTF #309 - VAL LANE SUPPORTIVE HOUSING - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 5C.

*Dorothy Blakeslee moved and Monsignor Linder seconded 1.* Approval of a mortgage commitment for an estimated \$227,600 in construction and permanent financing from the Special Needs Housing Trust Fund for a project known as Van Lane Supported Housing, HMFA #02717, SNHTF #309 (the “Project”), upon the terms and conditions set forth in the Request for Action.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

HMFA #02718/SNHTF #310 - WEST WEDGEWOOD SUPPORTIVE HOUSING - APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 5D.

*Thomas Hunt moved and Susan Fischer seconded 1.* Approval of a mortgage commitment for an estimated \$178,100 in construction and permanent financing from the Special Needs Housing Trust Fund (“SNHTF”) for a project known as West Wedgewood Supportive Housing, HMFA #02718, SNHTF #310 (the “Project”), upon the terms and conditions set forth in the Request for Action.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder,  
Dorothy Blakeslee, Patricia Mueller, Stanley Weeks  
Nay-None*

REGULATORY AFFAIRS

HMFA #925 - MONTGOMERY GATEWAY EAST II – APPROVAL OF A PREPAYMENT AND TRANSFER OF OWNERSHIP – ITEM 6A.

Pulled

HMFA #00002 – ZION TOWERS APARTMENTS – APPROVAL OF EXTENSION OF WAIVERS – ITEM 6B.

*Thomas Hunt moved and Susan Fischer seconded* 1. Extension of deadline for new owner of Zion Towers Apartments, HMFA #0002, to obtain refinancing commitment from Agency and continuance of partial waivers and forbearances previously granted for three (3) months until and including March 30, 2012. 2. Forbearance on exercise of due on sale clause in 2002 CIAP Mortgage until extended deadline date as set forth above. 3. Authorization for the Executive Director or any Chief to execute any and all documents necessary to effectuate the above actions.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*

*Nay-None*

HMFA #456 – SHALOM TOWERS APARTMENTS - APPROVAL OF EXTENSION OF WAIVERS – ITEM 6C.

*Thomas Hunt moved and Robert Romano seconded* 1. Extension of deadline for new owner of Shalom Towers Apartments, HMFA #456, to obtain refinancing commitment from Agency and continuance of partial waivers and forbearances previously granted until and including March 30, 2012. 2. Authorization for the Executive Director or any Chief to execute any and all documents necessary to effectuate the above actions.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*

*Nay-None*

FINANCE

APPROVAL TO EXTEND THE FISCAL YEAR 2011 BUDGET AT THE SAME AVERAGE MONTHLY SPENDING LEVEL - ITEM 7A.

*Dorothy Blakeslee moved and Robert Romano seconded* 1. Approval to extend the approved Fiscal Year 2011 Budget at the same average monthly spending level for approximately 30 days, or until such time as a budget for the new Fiscal Year Ending December 31, 2012 is approved by the Agency Board.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*

*Nay-None*



CAPITAL MARKETS

CONDUIT LOAN PROGRAM (LAKESIDE APARTMENTS, HMFA #951) - APPROVAL OF BOND DOCUMENTS – ITEM 8A.

*Robert Romano moved and Stanley Weeks seconded* 1. Approval of the “Resolution Authorizing and Directing the Execution, Delivery, Issuance and Sale of the New Jersey Housing and Mortgage Finance Agency’s Multifamily Housing Revenue Bonds, Series 2011 (Woodbury Oakwood Housing Project) under the Agency’s Credit Enhanced Conduit Bond Program in a Principal Amount Not to Exceed \$4,750,000 and Authorizing and Approving the Execution and Delivery of a Trust Indenture and Related Instruments; and Authorizing Other Matters in Connection Therewith” (the “Resolution”).

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*  
*Nay-None*

OTHER BUSINESS

APPROVAL TO ENTER INTO AN MOU WITH ROWAN UNIVERSITY TO PROVIDE ACQUISITION SERVICES FOR THE COOPER MEDICAL SCHOOL OF ROWAN UNIVERSITY – ITEM 9A.

*Monsignor Linder moved and Cathy Boland seconded* 1. Approval is requested to enter into a Memorandum of Understanding (MOU) with Rowan University (Rowan) to provide assistance in acquiring properties in Camden for the second pre-development phase of the Rowan Medical School project. 2. Delegation to the Executive Director to amend the form of MOU in consultation with the Attorney General’s office in order to effectuate the above action.

*Aye-Lori Grifa, Susan Fischer, Robert Romano, Cathy Boland, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*  
*Nay-None*

PUBLIC COMMENTS

*Housing developer, Michael Fink, addressed the Board. He thanked the Board for approving the UHAC waivers and stated the positive impact these waivers will have on the sale of affordable housing units in New Jersey.*

*Chairman Grifa recused herself and left the meeting at approximately 11:25 a.m. Charles Richman assumed the role of Chairman.*

*Patricia Mueller left at 11 :25 a.m.*

EXECUTIVE SESSION

*Charles Richman read the following into the minutes:*

**WHEREAS**, pursuant to N.J.S.A. 10:4-12 and 10:4-13 of the Open Public Meetings Act, the Agency intends to obtain legal advice from the Office of the Attorney General regarding Whitlock Mills, HMFA #1388 and **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.*

*Upon returning from Executive Session formal action may be taken on the item discussed in Executive Session.*

*Thomas Hunt moved and Robert Romano seconded approval to enter into Executive Session at 11:30 a.m.*

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

#### PUBLIC SESSION

##### HMFA #1388 – WHITLOCK MILLS

*Robert Romano moved and Susan Fischer seconded* 1. Approval for the Executive Director to seek approval from the Attorney General's Office of a proposed settlement of the Whitlock Mills litigation on such terms as discussed in Executive Session; 2. Authorization for the Executive Director to implement the terms of the settlement subject to the approval of the settlement by the Attorney General's Office; 3. Authorization for the Executive Director to extend the cure period of the Notice of Failure to Perform until such time as the Attorney General's office has approved the settlement; and 4. Authorization for the Executive Director, Chief of Program Services or Chief Financial Officer to expend funds in an amount not to exceed \$5,700,000 on behalf of the Project for the purpose of preserving the Agency's collateral and lien and/or continuing construction of the Project.

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

#### MOTION TO ADJOURN

*Robert Romano moved and Dorothy Blakeslee seconded motion to adjourn at 1:15 p.m.*

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