

**MINUTES OF THE 433<sup>rd</sup> BOARD MEETING  
OF THE  
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

**JUNE 27, 2017**

MEMBERS: Charles Richman, Commissioner, DCA

- \* Aimee Manocchio-Nason, Deputy Attorney General  
(representing Christopher Porrino, Attorney General)
- \*\* Peter Simon, Chief of Staff, Department of Treasury  
(representing Ford M. Scudder, State Treasurer)
- \*\*\* Thomas Hunt, Assistant Director of the Office of Consumer Finance,  
Department of Banking and Insurance  
(representing Richard J. Badolato, Commissioner, Department of Banking  
and Insurance)
- \*\*\*\* Harry Reyes, Assistant Director, Division of Mental Health and Addiction  
Services, Department of Human Services  
(representing Elizabeth Connelly, Acting Commissioner, Department of  
Human Services)

Dorothy Blakeslee  
Stanley Weeks

PRESENT: Anthony Marchetta, Executive Director  
Claudia Lovas, Deputy Executive Director/Chief of Programs  
John Murray, Chief Financial Officer  
Deb Urban, Senior Director of Programs  
Joseph Robotin, Director of Single Family  
Natasha Encarnacion, Assistant Director of Single Family Programs  
Tanya Hudson - Murray, Director of Multifamily Programs and Lending  
Donna Spencer, Multifamily Loan Manager  
Michael Floyd, Chief of Property Management and Technical Services  
Donald Schlachter, Senior Director of Technical Services  
Andrea Baverov, Manager of Credit and Delinquent Assets  
Kimberly Sked, Senior Compliance Officer  
Joyce Early, Credit Officer II  
Danielle Esser, Housing Program Administrator  
Yirgu Wolde, Director of Supported Housing & Special Needs  
Robert Huether, Assistant Director of Supported Housing & Special Needs  
Darryl Applegate, Director of Regulatory Affairs  
Rosy Dafonseca, Credit Officer III  
Yadira Simmons, Assistant Director of Loan Closings  
Jennifer Linett, Director of Loan Closings  
Gloria Mehnert, Paralegal II  
Suzanne Plesnarski, Administrator of Regulatory Affairs Transactions  
Jeanette Nieves, Housing Program Assistant

OTHERS  
PRESENT:

Kavin Mistry, AAG, Attorney General's Office  
Lisa LeBoeuf, Assistant Counsel, Governor's Authority Unit  
Marcus Randolph, Chase  
Michael Fink, Leewood  
John Cortell, L & M

- \* Letter of February 23, 2016 designating Aimee Manocchio – Nason to represent John J. Hoffman, Attorney General
- \*\* Letter of February 11, 2016 designating Peter Simon to represent the State Treasurer, Ford M. Scudder
- \*\*\* Letter of January 25, 2017 designating Thomas Hunt to represent Richard J. Badolato, Commissioner, Department of Banking and Insurance
- \*\*\*\* Letter of July 13, 2016 designating Harry Reyes to represent Elizabeth Connelly, Acting Commissioner, Department of Human Services

June 27, 2017

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 June 20, 2017 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 MAY 25, 2017 MEETING OF THE HMFA BOARD – ITEM 1A.**

*Thomas Hunt moved and Stanley Weeks seconded.* 1. Approval of the Public Session Minutes of the May 25, 2017 meeting of the HMFA Board.

*Aye – Charles Richman, Aimee Manocchio-Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

### **APPROVAL OF THE EXECUTIVE SESSION MINUTES OF THE MAY 25, 2017 MEETING OF THE HMFA BOARD – ITEM 1B.**

*Thomas Hunt moved and Aimee Manocchio-Nason seconded.* 1. Approval of the Executive Session Minutes of the May 25, 2017 meeting of the HMFA Board.

*Aye – Charles Richman, Aimee Manocchio-Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

### **APPROVAL OF THE PUBLIC SESSION MINUTES OF THE JUNE 2, 2017 MEETING OF THE HMFA BOARD – ITEM 1C.**

*Aimee Manocchio-Nason moved and Thomas Hunt seconded.* 1. Approval of the Public Session Minutes of the June 2, 2017 meeting of the HMFA Board.

*Aye – Charles Richman, Aimee Manocchio-Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

## **SANDY SPECIAL NEEDS**

### **HMFA #2902/ SSNHF #31 – TEXAS ROAD SUPPORTIVE HOUSING – HMFA #2901/ SSNHF #32 – ASHWOOD DRIVE SUPPORTIVE HOUSING – APPROVAL OF THE SALE OF THE PROJECTS AND ASSUMPTION OF MORTGAGES – ITEM 2A**

*Harry Reyes moved and Stanley Weeks seconded.* 1. Board approval of the transfer of ownership of Ashwood Drive Supportive Housing HMFA #02901/SSNHF #32 and Texas Road Supportive Housing HMFA #02902/SSNHF #31 from Special Care Community Services, Inc. to Mobility Special Care Housing, Inc. 2. Approval of the assumption of the existing Agency financing on the Projects by the Buyer. 3. Authorization for the Executive Director, the Deputy Executive 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, Aimee Manocchio-Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

## **HARDEST HIT FUND**

### **NJ BLIGHT REDUCTION PROGRAM – APPROVAL OF THE PROGRAM GUIDELINES AND PROGRAM FUNDING- ITEM 3A**

*Thomas Hunt moved and Aimee Manocchio-Nason seconded.* 1. Approval of Summary Guidelines for the NJ Blight Reduction Program (“Program Guidelines”) in the form as attached to the RFA subject to the U.S. Department of the Treasury’s (“U.S. Treasury”) approval. 2. Authorization for the Executive Director to approve amendments to correct errors in or clarify the Program Guidelines, so long as such amendments do not result in a change in policy or implementation of the Program Guidelines as currently approved. Specifically, the Executive Director would be authorized to approve corrections in spelling, punctuation, and misnumbering. Any amendments that would change the underlying policy or implementation of the Program Guidelines from the form in which it is now presented shall remain subject to Agency Board approval. 3. Delegation to the HMFA Executive Director to serve on and appoint HMFA staff to a loan review committee which may also include representative(s) from the Department of Community Affairs (DCA) and to award NJ Blight Reduction Program loan commitments in accordance with Program Guidelines. 4. Approval to allocate up to \$20 million of funds from the federal Hardest Hit Funds (“HHF”) allocated to the Agency to reimburse Eligible Entities (as defined in the Program Guidelines) for the completion of blight reduction activities. HHF funding will be provided after execution of a secured lien mortgage and note in favor of the Agency. 5. Approval for the Executive Director, the Deputy Executive Director, the Chief Financial Officer or the Chief of Programs to execute any and all documents necessary to implement and effectuate the NJ Blight Reduction Program (“NJBRP”).

*Aye – Charles Richman, Aimee Manocchio-Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

## DELINQUENT ASSETS

### CHOICE #10-59 – THE WHITTAKER- APPROVAL OF A FINAL EXTENSION OF THE MATURITY DATE OF THE NOTE – ITEM 4A

*Thomas Hunt moved and Harry Reyes 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.

*Stanley Weeks asked what the difficulty was in selling the units. John Murray responded that it was difficult to find buyers that qualified for a mortgage, and confirmed it had nothing to do with the condition of the project. Tom Hunt asked if making some units available as rentals was a viable option. Anthony Marchetta indicated that would be the option of last resort, and that homeownership interest in Trenton has been increasing. Lastly Stanley Weeks asked if purchase prices have been reduced, and Anthony Marchetta confirmed that they have.*

*Aye – Charles Richman, Aimee Manocchio-Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

### NJHMFA #321 – NEW HOPE VILLAGE – APPROVAL OF A MORTGAGE LOAN DEFAULT AND WORKOUT – ITEM 4B

*Aimee Manocchio-Nason moved and Stanley Weeks seconded.* 1. Approval of a Declaration of Default regarding New Hope Development Corporation #1, a non-profit housing corporation, for failure to pay its mortgage loan obligations, and failure to fund the reserve for replacement account as due under the Loan Documents (as defined in the RFA). 2. Authorization for the Executive Director, Deputy Executive Director, Chief Financial Officer, the Chief of Legal and Regulatory Affairs, and the Chief of Administration to execute any and all documents such notices and other documents as may be determined, in consultation with the Attorney General's Office, necessary to effectuate a Declaration of Default, including issuance of a Notice of Default to the Borrower and Owner in accordance with the Loan Documents. 3. Approval of the assumption by Village Developers Urban Renewal, LLC, (the "Buyer") of the existing Agency Multi-family Life Safety Rehabilitation Program Loan mortgage and a portion of the Agency Portfolio Reserve Account mortgage loan for an approximate \$2,000,000 in Agency loans to be assumed by the Buyer. 4. Authorization for the Executive Director, Deputy Executive Director, Chief Financial Officer, the Chief of Legal and Regulatory Affairs, and the Chief of Administration to negotiate and execute a workout plan (the "Workout Plan") with New Hope Development Corporation #1 for New Hope Village to satisfy its obligations under the First Mortgage Loan Documents and implement the Workout Plan. 5. Approval of the modification of the interest and terms of the Agency Multi-family Life Safety Rehabilitation Program Loan mortgage and the Portfolio Reserve Account mortgage loan.

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*  
*Nay- None*  
*Abstained- None*

**MULTI FAMILY – FOUR PERCENT TAX CREDITS – CONDUIT**

**HMFA #03227 – NEW HOPE VILLAGE (FORMERLY HMFA #321)– APPROVAL OF A FINANCING COMMITMENT – ITEM 5A**

*Harry Reyes moved and Thomas Hunt seconded.* 1. Approval of a mortgage commitment for an estimated \$14,512,000 in construction and permanent financing from the Conduit Bond Program for a project known as New Hope Village, HMFA #03227 (the “Project”), upon the terms and conditions set forth in the RFA. 2. Agency approval of the transfer of 100% ownership interest in the Project from New Hope Development Corp. #1 (the “Seller”), to Village Developers Urban Renewal, LLC, (the “Buyer”). 3. Approval of a waiver from the Agency’s Required Payment and Repayments Regulation at N.J.A.C. 5:80-5.9(a)(1), pursuant to N.J.A.C. 5:80-19.1, to preserve the long-term affordability of the Project. 4. Approval of the assumption by Buyer of the existing Agency Multi-family Life Safety Rehabilitation Program Loan mortgage and a portion of the Agency Portfolio Reserve Account mortgage loan for an approximate \$2,000,000 in Agency loans to be assumed by Buyer. 5. Subordination of the Agency’s payoff Deed Restriction and Regulatory Agreement during the term of the new Agency financing, as applicable. 6. Authorization for the Executive Director or any Agency Chief to execute any and all documents necessary to effectuate the above actions.

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*  
*Nay- None*  
*Abstained- None*

**HMFA #03216 – 540 BROAD STREET – APPROVAL OF A FINANCING COMMITMENT – ITEM 5B**

*Stanley Weeks moved and Thomas Hunt seconded.* 1. Approval of a mortgage commitment, funded through tax exempt note proceeds, for an estimated amount of \$15,000,000 in permanent financing from the Conduit Bond Program for a project known as 540 Broad Street, HMFA #03216 (the “Project”), upon the terms and conditions set forth in the RFA. 2. Approval of the authorization for the Executive Director to execute any and all documents necessary to implement the above.

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*  
*Nay- None*  
*Abstained- None*

**MULTI FAMILY – FOUR PERCENT TAX CREDITS**

**HMFA #02985 – PLAINFIELD YMCA- APPROVAL OF A FINANCING COMMITMENT – ITEM 6A**

*Thomas Hunt moved and Aimee Manocchio-Nason seconded.* 1. Approval of a mortgage commitment for an estimated \$4,862,000 in permanent only financing from the Agency Revenue Bond Financing Program for a project known as Plainfield YMCA, HMFA #02985 (the “Project”), upon the terms and conditions set forth in the RFA. 2. Approval of a subsidy mortgage loan commitment for an estimated \$3,008,000 in permanent only financing from the Sandy Special Needs Housing Fund-CDBG (“SSNHF-CDBG”) Program, pursuant to the SSNHF-CDBG Program Guidelines.

*Tom Hunt asked if there was any concern providing a larger project (30 units) for youth aging out of foster care. Anthony Marchetta confirmed that staff has extensively reviewed the viability and feels comfortable with the proposed project*

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks  
Nay- None  
Abstained- None*

**HMFA #03174 – WINDING RIDGE – APPROVAL OF A FINANCING COMMITMENT – ITEM 6B**

**ITEM PULLED**

**MULTI FAMILY – CDBG-FRM 3B**

**HMFA #03193 – BEACHGATE HOMES – APPROVAL OF A FINANCING COMMITMENT – ITEM 7A**

**ITEM PULLED**

**MULTI-FAMILY CHOICE**

**CHOICE 2017- APPROVAL OF GUIDELINES AND PROGRAM FUNDING - ITEM 8A**

*Harry Reyes moved and Thomas Hunt seconded.* 1. Approval of the Choices in Homeownership Created for Everyone (CHOICE) Program 2017 Program Guidelines, attached to the RFA in substantially final form. 2. Authorization for the Executive Director to make non-substantive changes to the Choice Guidelines in consultation with the Attorney General's office. 3. Authorization to make available \$10,000,000 from previously appropriated but unallocated CHOICE subsidy funding.

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

## **REGULATORY AFFAIRS**

### **HMFA #279 GEORGIA KING VILLAGE – APPROVAL OF SUBORDINATE FINANCING – ITEM 9A**

*Thomas Hunt moved and Aimee-Manocchio-Nason seconded.* 1. Approval of an additional encumbrance upon the Project in the form of subordinate mortgage that will be a second mortgage lien on the Project and land. 2. Authorization for the Executive Director, the Deputy Executive 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.

*Tom Hunt asked that staff makes sure this loan remains in a subordinate position upon refinancing. Commissioner Richman clarified that this loan will actually be paid off in the refinancing.*

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

### **CONDUIT BOND FINANCING PROGRAM – APPROVAL TO EXTEND THE PROGRAM AS A DEMONSTRATION PROJECT – ITEM 9B**

*Thomas Hunt moved and Harry Reyes seconded.* 1. Approval to extend the Conduit Bond Financing Program as a demonstration project pursuant to N.J.S.A. 55:14K-5x for an additional period of eighteen (18) months or until the effective date of promulgation of proposed new rule(s) and related amendments, whichever occurs first.

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes, Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- None*

### **AGENCY REGULATIONS – APPROVAL FOR RE-ADOPTION OF AGENCY REGULATIONS – ITEM 9C**

**ITEM PULLED**

## **OTHER BUSINESS**



**MOTION TO ADJOURN**

*Harry Reyes moved and Thomas Hunt seconded a motion to adjourn at 10:37 a.m.*

*Aye – Charles Richman, Aimee Manocchio- Nason, Peter Simon, Thomas Hunt, Harry Reyes,  
Dorothy Blakeslee, Stanley Weeks*

*Nay- None*

*Abstained- 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 I. HOFFMAN  
*Acting Attorney General*

February 23, 2016

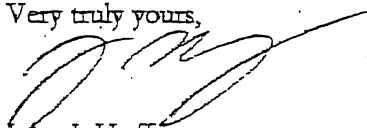
Charles A. Richman, Chairman  
New Jersey Housing and  
Mortgage Finance Agency  
637 South Clinton Avenue  
P.O. Box 18550  
Trenton, New Jersey 08650-2085

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.

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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  
Lt. Governor

RICHARD J. BADOLATO  
Commissioner

January 25, 2017

Anthony L. Marchetta, Executive Director  
NJ Housing Mortgage and 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 M. Hunt, Assistant Division Director, Office of Consumer Finance, Division of Banking.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Richard J. Badolato".

Richard J. Badolato  
Commissioner

RJB:AMR

cc: Thomas M. Hunt, Assistant Division Director, Office of Consumer Finance,  
Division of Banking



State of New Jersey

DEPARTMENT OF HUMAN SERVICES  
PO BOX 706  
TRENTON, NJ 08625-0700

ELIZABETH CONNOLLY  
ACTING COMMISSIONER

CHRIS CHRISTIE  
GOVERNOR

KIM GUADAGNO  
Lt. Governor

July 13, 2016

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 Harry Reyes, Acting Assistant Director, Office of Treatment and Recovery Support, 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 his absence, Cathy Boland will be his 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 L. Mielke  
Harry Reyes  
Cathy Boland