

**MINUTES OF THE 376TH BOARD MEETING
OF THE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

- MEMBERS:**
- * Charles Richman, Deputy Commissioner representing Richard E. Constable, III, Commissioner, DCA
 - ** Susan Fischer, Assistant Attorney General (representing Jeffrey S. Chiesa, Attorney General)
 - *** Robert Romano, Deputy State Treasurer, Department of Treasury (representing Andrew Sidamon-Eristoff, State Treasurer)
 - **** Thomas Hunt, Deputy Assistant Director, Office of Consumer Finance, Department of Banking and Insurance (representing Kenneth E. Kobylowski, Acting Commissioner, Department of Banking and Insurance)
 - ***** Valerie L. Larosiliere, Assistant Director, Office of Housing, Policy and Program Evaluation Division of Mental Health Services, Department of Human Services (representing Jennifer Velez, Commissioner, Department of Human Services)
- Monsignor William Linder
Dorothy Blakeslee
Stanley Weeks
Patricia Mueller

**OFFICIALS
PRESENT:**

Anthony Marchetta, Executive Director
Claudia Lovas, Deputy Executive Director/Chief of Programs
Leslie Lefkowitz, Chief of Legal and Regulatory Affairs
David Bonomo, Chief Financial Officer
Donna Rendeiro, Chief of Administration
Michael Floyd, Chief of Property Management and Technical Services
Laura Shea, Director of Hardest Hit Funds
Michael Staton, Director of Multifamily Programs and Lending
John Murray, Director of Credit and Business Development
Dawn Parreott, Legislative Liaison
Terry Fink, Director of Finance
Harry Stevens, General Services Assistant
Carilyn Willis, Executive Assistant
James Robertson

OTHERS

PRESENT:

Aimee Manocchio Nason, Deputy Attorney General
Kim Sked, Deputy Attorney General
Kerstin Sundstrom, Governor's Authorities Unit
Tim Henkel, Pennrose
Lee Strias Pennrose
Harry Moog, Pennrose
Sean Culler, RBL

- * Letter of August 9, 2012 designating Charles Richman to represent Richard E. Constable, III, 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 February 13, 2012 designating Thomas Hunt to representing Kenneth E. Kobylowski, Acting Commissioner, Department of Banking and Insurance
- ***** Letter of July 8, 2011 designating Valerie L. Larosiliere to represent Jennifer Velez, Commissioner, Department of Human Services

August 9, 2012

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 July 20, 2012 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 MAY 7, 2012 MEETING OF THE HMFA BOARD – ITEM 1A.

Thomas Hunt moved and Dorothy Blakeslee seconded approval of the Minutes of the May 7, 2012 HMFA Board.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller*

Abstained-Stanley Weeks

Nay-None

APPROVAL OF THE MINUTES OF THE JUNE 28, 2012 MEETING OF THE HMFA BOARD – ITEM 1B.

Thomas Hunt moved and Patricia Mueller seconded approval of the Minutes of the June 28, 2012 HMFA Board.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks*

Nay-None

SINGLE FAMILY

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

Monsignor Linder moved and Stanley Weeks seconded 1. Approval of revisions to the New Jersey HomeKeeper Program Guidelines, attached in the Request for Action in substantially final form, conditioned upon final approval from the U.S. Treasury Department. 2. Authorization for the Executive Director to approve amendments to correct errors in or clarify the New Jersey HomeKeeper Guidelines, so long as such amendments do not result in a change in policy or implementation of the New Jersey HomeKeeper 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 New Jersey HomeKeeper Guidelines from the form in which it is now presented shall remain subject to Board approval.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Patricia Mueller, Stanley Weeks*

Abstained- Dorothy Blakeslee

Nay-None

MULTI-FAMILY- CONDUIT

HMFA #02748 – ALEXANDER HAMILTON PHASE III – APPROVAL OF A DECLARATION OF INTENT – ITEM 3A.

Dorothy Blakeslee moved and Patricia Mueller seconded 1. Approval of a "Declaration of Intent" (DOI) stating the intention of the Agency to issue tax- exempt bonds in an estimated amount not to exceed 15,269,000 in construction and permanent financing for a project known as Alexander Hamilton Phase III, HMFA #02748 (the "Project"), upon the terms and conditions set forth in the Request for Action. Approval of this DOI 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 Credit Enhancement Conduit Bond Program, 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 DOI is not intended to give this Project any preference over any other project.

Stanly Weeks inquired as to high per unit cost. Executive Director Marchetta and Chairman Richman explained that today's action requested is for one phase on a three-phased project. Included in this phase are the infrastructure costs and the costs of constructing a community building. If those related costs are spread out over the three phases the per unit cost is reduced significantly and the per unit cost is within acceptable range.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None*

HMFA #02571 – CARL MILLER HOMES – APPROVAL OF A DECLARATION OF INTENT – ITEM 3B.

Stanley Weeks moved and Valerie Larosiliere seconded 1. Approval of a "Declaration of Intent" stating the intention of the Agency to issue tax- exempt bonds in an estimated amount not to exceed \$38,376,000 financing for a project known as Carl Miller Homes, HMFA #02571 (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 the Credit Enhancement Conduit Bond Program, 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, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None*

MULTI-FAMILY

HMFA #02761 – VILLAGES AT GARWOOD - APPROVAL OF A DECLARATION OF INTENT – ITEM 3C.

Monsignor Linder moved and Robert Romano seconded 1. Approval of a “Declaration of Intent” stating the intention of the Agency to issue tax- exempt bonds in an estimated amount not to exceed \$13,080,000 in construction financing for a project known as Village At Garwood, HMFA #02761 (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, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None*

HMFA #1375 – JOURNAL SQUARE TOWERS – APPROVAL TO REPAYMENT TERMS OF THE 2ND AND 3RD MORTGAGE – ITEM 3D.

Valerie Larosiliere moved and Thomas Hunt seconded 1. Approval of an amendment to the cash flow repayment terms of the Agency's (1) Affordable Rental Housing Subsidy Program Mortgage Note II for this project and (2) Subordinate General Fund Loan Mortgage Note III for this project to provide that the repayment of 50% of the cash flow shall be postponed until the earlier of 10 years or the payment of the deferred developer's fee for a project know as Journal Square Towers, HMFA #1375. All other terms and conditions approved during the Agency's January 10, 2003 and March 20, 2003 Board Meetings regarding this project shall remain the same.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None*

HMFA #983 – OAKWOOD PLAZA – APPROVAL TO AMEND THE BOARD ACTION FROM AUGUST 18, 2011 AND APPROVAL OF A MORTGAGE FINANCING COMMITMENT – ITEM 3E.

Valerie Larosiliere moved and Thomas Hunt seconded 1. Approval to amend the Board approved Request for Action dated August 18, 2011 (“RFA”) to delete requested action number 2 and the provision related thereto. 2. Approval of a mortgage commitment for an estimated \$2,500,000 in permanent financing from the Multifamily Rental Housing Production Loan Fund for a project known as Oakwood Plaza, HMFA #983(the Project), upon the terms and conditions set forth in the Request for Action. 3. Authorization for the Executive Director or any Chief to execute, deliver, and accept such documents as necessary to effectuate the transaction as approved in this Request for Action and in the RFA in consultation with the Attorney General’s Office. 4. Approved actions requested in the RFA not specifically noted herein remain unchanged.

Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None

Chairman Charles Richman read the following into the minutes:

EXECUTIVE SESSION

**RESOLUTION OF THE NEW JERSEY HOUSING AND MORTGAGE
FINANCE AGENCY TO CONDUCT A CLOSED SESSION**

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 Attorney General’s Office regarding the consolidated matter of In re February 1, 2010 The Mews at Collingswood Park Rental Increase (OAL DKT. No. HFA 2442-10); In re February 1, 2010 Spring Mill Apartments Rental Increase (OAL DKT. No HFA 2443-10); In re February 1, 2010 County House Village Rental Increase (OAL DKT. No. HFA 2444-10); and In re February 1, 2010 Pleasantville HOPE VI Rental Increase (OAL DKT. No. HFA 4384-10) (the “Four Rent Increase Appeals”).

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.

Stanley Weeks moved and Valerie Larosiliere seconded approval to enter into Executive Session at 10:20 a.m.

Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt, Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None

REGULATORY AFFAIRS

REQUEST FOR AN EXTENSION FOR FINAL AGENCIES DECISION FROM AN OAL ACTION
– ITEM 5A.

Stanley Weeks moved and Dorothy Blakeslee seconded 1. A request by the Agency Board of a forty-five (45)-day extension of the time for filing a final decision in the consolidated matter of In re February 1, 2010 The Mews at Collingwood Park Rental Increase (OAL DKT. No. HFA 2442-10); In re February 1, 2010 Spring Mill Apartments Rental Increase (OAL DKT. No. HFA 2443-10); In re February 1, 2010 County House Village Rental Increase (OAL DKT. No. HFA 2444-10); and In re February 1, 2010 Pleasantville HOPE VI Rental Increase (OAL DKT. No. HFA 4384-10) (the “Four Rent Increase Appeals”). 2. Authorization for any authorized member or officer of the Agency to execute and submit any and all necessary orders and/or other documentation necessary to effectuate the requested extension.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None*

MOTION TO ADJOURN

Robert Romano moved and Valerie Larosiliere seconded motion to adjourn at 10:30 a.m.

*Aye-Charles Richman, Susan Fischer, Robert Romano Valerie Larosiliere, Thomas Hunt,
Monsignor Linder, Dorothy Blakeslee, Patricia Mueller, Stanley Weeks
Nay-None*



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO Box 800
TRENTON, NJ 08625-0806
(609) 292-6420

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

RICHARD E. CONSTABLE, III
Commissioner

August 9, 2012

Anthony Marchetta, Executive Director
NJ Housing and Mortgage Finance Agency
PO Box 18550
Trenton, New Jersey 08625

Dear Executive Director Marchetta:

Please accept this letter as formal notification that Deputy Commissioner Charles Richman will represent me at the NJHMFA Board Meeting on August 9, 2012.

If you have any questions, please do not hesitate to call my office.

Sincerely,

A handwritten signature in black ink, appearing to be "RE", written over a horizontal line.

Richard E. Constable, III
Commissioner



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

IN DEPARTMENT
 COMPLIANCE AFFAIRS
 COMMISSIONER'S OFFICE
 20:1 APR 20 PM 2:01

CHRIS CHRISTIE
 Governor
 KIM GUADAGNO
 Lt. Governor

PAULA T. DOW
 Attorney General

April 12, 2011

Honorable Lori Grifa
 Commissioner
 Department of Community Affairs
 New Jersey Housing and Mortgage Finance Agency
 P.O. Box 800
 Trenton, New Jersey 08625-0800

Dear Commissioner Grifa:

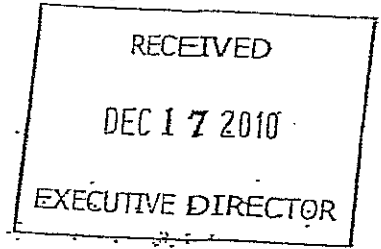
I hereby designate Susan K. Fischer, Assistant Attorney General, to represent me in my absence at the meetings of the New Jersey Housing and Mortgage Finance Agency. In the event of AAG Fischer's absence, Deputy Attorney General Aimee Manocchio Nason is authorized to vote in my stead and to otherwise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

Very truly yours,

Paula T. Dow
 Attorney General

- c: Secretary of State
- Susan K. Fischer, 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

ANDREW P. SIDAMON-ERISTOFF
State Treasurer

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

December 10, 2010

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 Rob Romano, Department of Treasury to act as my permanent designee at all the meetings of the New Jersey Housing and Mortgage Finance Agency. David Moore, Department of Treasury will serve as back-up should Rob not be available to attend.

Sincerely,

Andrew P. Sidamon-Eristoff
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

KENNETH E. KOBYLowski
Acting Commissioner

February 13, 2012

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

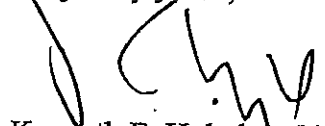
Re: Board Meeting Designee

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,

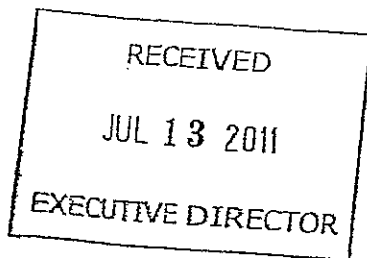

Kenneth E. Kobylowski
Acting Commissioner

Thomas Hunt
Assistant Deputy Director

Denise Illes
Special Assistant to the Real Estate Commission



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



CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

JENNIFER VELEZ
Commissioner

July 8, 2011

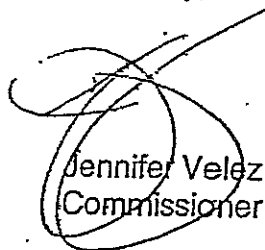
Anthony Marchetta
Executive Director
New Jersey Housing and
Mortgage Finance Agency
637 South Clinton Avenue
Trenton, NJ 08650-2085

Dear Mr. Marchetta:

Valerie L. Larosilliere, in her new position as Assistant Director, Office of Housing, Policy and Program Evaluation, Division of Mental Health and Addiction Services, will continue as the Department of Human Services' (DHS) representative for board meetings of the New Jersey Housing and Mortgage Finance Agency. Cathy Boland will be the designee in her absence and will have full authority to represent and take action on matters related to DHS.

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
Commissioner

JV:3:jc

c: Valerie L. Larosilliere
Cathy Boland