MINUTES
OF THE MEETING OF THE
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

June 9, 2011

A meeting of the Members of the New York City Housing Development Corporation (the "Corporation" or "HDC") was held on Thursday, June 9, 2011 at the offices of the Corporation, 110 William Street, 10th Floor, New York, New York 10038. The meeting was called to order at 2:33 p.m. by the Chairperson, Mathew M. Wambua, who noted the presence of a quorum. The Members present were Felix Ciampa, Harry E. Gould, Jr., David M. Frankel and Mark Page. The Members absent were Charles G. Moerdler, who was unable to attend due to the observance of Shavous, and Denise Notice-Scott. A list of observers is appended to these minutes.

The Chairperson began by stating that it was an incredible honor to be here and to serve in the capacity as Chairperson. He noted that he had worked with HDC for the better part of seven years, and had worked in multiple capacities at City Hall, on the HDC board and then as an Executive Vice President of the Corporation. He said that there were very few people who knew, more so than he, intimately the depth of talent, the extraordinary leadership and the extraordinary talent base that is here throughout all the ranks, and the scope and the scale of contributions that HDC makes, all enabled in large part by the broader community that is here and our partners and this board. He said that it is with great humility and honor that he sits here today.

The Chairperson then called for the approval of the minutes of the meeting held on March 17, 2011.

Upon a motion duly made by Mr. Page, and seconded by Mr. Frankel, the Members unanimously:

RESOLVED, to adopt the minutes of such meeting.

The Chairperson stated that the next item on the agenda would be the President's Report. He called upon Marc Jahr, President of the Corporation, to make this presentation.

Mr. Jahr thanked the Chairperson and stated that was a great pleasure to welcome him to his new position as Chairperson of HDC's board; he then bid a good afternoon to the Members and others in attendance on this sweltering June day.

Mr. Jahr stated that it was enormously gratifying to see Mayor Bloomberg appoint Mr. Wambua to his current position as Commissioner of the City's Department of Housing Preservation and Development and Chairperson of HDC's board. He said that he was exceptionally well qualified for the Commissioner's position and, given his work at HDC as an Executive Vice President, few individuals have been as qualified to assume the responsibilities of HDC's Chair as Mr. Wambua. He said that he knows that it will be as rewarding to work with Mr. Wambua as it was to work with his predecessors Rafael Cestero and Shaun Donovan, and he was certain that his tenure in these positions will be as productive as Shaun's and Rafael's.

Mr. Jahr stated that June had arrived and, as we have become accustomed to, we have a remarkable pipeline of developments to close. He said that this meeting would reflect that fact. However, he said, before he talks about the activities the Corporation would seek the Members' approval of, he wanted to note that just as the Corporation has a new Chairperson, there have been some related organizational changes at HDC in the wake of Mr. Wambua's departure.

Mr. Jahr stated that the Members would be asked to approve a set of amendments to the Corporation's by-laws that reflect these changes, and subsequently he would seek the Members' approval of the appointment of Richard M. Froehlich to Chief Operating Officer, as well as the appointments of Joan Tally, HDC's current Senior Vice President for Development to HDC's Executive Vice President for Real Estate, and the appointment of Simon Bacchus, HDC's current Vice President for Development to Senior Vice President for Development. He said that he believes all these appointments are richly deserved and, as noted, he would be seeking the Members' approval of them later in this meeting.

Mr. Jahr stated that while he's talking about organizational changes, he also wanted to acknowledge the departure of New York State's Homes and Community Renewal agency's Commissioner and CEO, Brian Lawlor. He said that for the last two years or so, Brian had been a great collaborator with HDC and HPD. He said that HDC would miss his skill and professionalism. He noted that on the other hand, Governor Cuomo's new appointment to lead HCR, former Assemblyman Darryl Townes, is an individual with an impressive set of skills, who understands this City's communities. He said that he had met Mr. Townes on a couple of occasions, and he was looking forward to working with him and his staff in the coming years.

Mr. Jahr stated that today's agenda would be slightly amended to allow Mr. Froehlich, Acting Chief Operating Officer and General Counsel for the Corporation, to provide the Members with an overview of the complex set of authorizing resolutions that the Corporation would seek the Members' approval of. He said that HDC recognized that these resolutions could be exceptionally dense and that Mr. Froehlich's remarks would be designed to explain the underlying logic and strategy associated with them. Mr. Jahr stated that among other things, the resolutions would authorize HDC to embark on an ambitious set of real estate financings under its Mitchell Lama and LAMP programs.

Mr. Jahr stated that since the inception of the Mayor's Housing Plan, HDC has helped to financially restructure, repair and preserve 40 Mitchell Lama properties comprised of 19,864 apartments. He said that today's actions would allow HDC to provide over $81 million in HDC financing to an additional five (5) developments in The Bronx, Brooklyn, Manhattan, and Queens containing 5,940 apartments. He stated that the downturn in the real estate market has provided us with the opportunity to renovate the balance of the existing City supervised Mitchell Lamas that we haven't assisted to date, while extending the term of their affordability. He said that in concert with HPD, HDC intends to seize upon this opportunity.

Mr. Jahr stated that among the regulated developments which the Corporation's financing would help preserve was Penn South, a 10 building, 2,820 unit cooperative located in the West 20's between 8th and 9th Avenues in Manhattan's now fashionable Chelsea neighborhood. He said that HDC's financing combined with Wells Fargo and Fannie Mae's participation, would allow the coop to undertake needed repairs and extend the term of affordability for at least eight additional years. Mr. Jahr stated that this was a complex transaction that couldn't have been brought to fruition without the active support of the Speaker of the City Council, Christine

Quinn, and HDC wished to thank her and her staff for all their efforts and support. Mr. Jahr stated that under the Corporation's LAMP program, HDC would also be closing another eight (8) preservation deals containing 1,223 apartments and requiring over $104 million in HDC senior and subordinate debt, as well as an equal number of new construction deals, containing 1,017 apartments and requiring slightly over $250.5 million in HDC financing. Mr. Jahr stated that in toto, then, the Corporation would be seeking the Members' approval of 21 developments comprised of 8,170 apartments and requiring approximately $435.5MM in financing from HDC. He added that June would be an exceptionally busy month at HDC.

Mr. Jahr stated that not including the Mitchell Lama developments, 55% of the units the Corporation will finance in June will be in preservation deals, but their share of the financing will amount to only roughly 29%. He said that if we add in the Mitchell Lama developments, 88% of the June developments' apartments would be in preservation deals, but only approximately 42% of HDC's financing would be devoted to these projects. He said that what these numbers underscore was the relative cost effectiveness of preserving existing affordable housing as opposed to building new developments.

Mr. Jahr stated that nonetheless, it was imperative that the Corporation pursue a balanced housing strategy if the City was going to accommodate a growing population and strengthen its communities. He said that two developments HDC will finance in June are emblematic of this approach. He said that Coney Island Commons will be located near the Boardwalk, on Surf Avenue, and not only contain 194 new apartments, but also a roughly 43,000 square foot YMCA facility on the ground floor. He added that the Corporation will continue to pursue the reconstruction of the South Bronx's Melrose section by financing the new construction of a 216 unit development, Courtlandt Crescent, that will contain an approximately 10,200 square foot day care center.

Mr. Jahr stated that the Corporation's goal was to finance durable affordable housing developments, but it was also to build strong communities with all the amenities that make a neighborhood an attractive place to live. He said that in that vein, he and Ms. Tally were recently in the Melrose neighborhood, and the view was spectacular. He said that standing on a corner, to their backs and under construction was Via Verde, the new construction of 71 coops and 151 rental apartments. He added that looking north, they could see the newly constructed, 107 unit La Terraza, and beyond that the Boricua College administrative building constructed as part of the 789 unit, mixed income, mixed use Boricua Village development; and, to their west they could see St. Ann's, another 680 apartment, mixed income rental development, with significant amounts of ground floor commercial space. He said that all of these developments were approved by the Members and financed by HPD and HDC. He said that taken as a whole they represent the rebirth of the Melrose section of the South Bronx.

Finally, Mr. Jahr stated, during this past period, he, Mr. Froehlich and Mr. Wambua had continued to actively pursue a federal legislative agenda down in Washington. He said that these were difficult times in D.C., but much to their delight, they discovered that the President's 2012 budget contains a proposal to allow for an income averaging option within the Low Income Housing Tax Credit statute. He said that this was a proposal that they've been promoting for some time. He said that the President's version of it would allow tax credit eligible apartments to serve households up to 80% of the median income, as long as they served households at 40% of AMI, and overall averaged 60% of AMI; HDC's proposal is for a slightly more expansive "30-60-90" option. He said that regardless, this mixed income option would enhance our ability to reach extremely low income households without using additional subsidy, as well as promote what we believe will be strong, sustainable, mixed-income developments.

Mr. Jahr stated that of course, particularly in this turbo-charged partisan environment, the odds of moving this proposal from the President's budget into law in the immediate future are quite slim. He said that by necessity, most of the Corporation's energies need to be devoted to protecting programs like the Community Development Block Grant and HOME from radical, decimating cuts. He said that nonetheless, the administration has taken the first step in the direction of injecting greater flexibility into the Low Income Housing Tax Credit program, and we're quite pleased.

Mr. Jahr stated that that concludes his remarks, and if there were no questions or comments, the Members could move on to the next item on the agenda.

The Chairperson then congratulated Mr. Froehlich, Ms. Tally and Mr. Bacchus, in advance, for their upcoming promotions which he said were well earned.

The Chairperson stated that pursuant to the Public Authorities Accountability Act, and for the purposes of discussing the next item on the agenda, we would now commence the meeting of HDC's Finance Committee, and called upon Mr. Froehlich to start with the Corporation's debt report.

Mr. Froehlich stated that Mr. Jahr had asked him to report on the status of the Corporation's debt and to explain some of the aspects of the authorization that it was requesting today regarding the Open Resolution and its NIBP issuance. He said that the last few times he had reported on debt he explained what had happened with HDC's auction rate exposure (now a distant, but bitter memory), overall effects of the financial crisis on HDC and our participation in the Federal government New Issue Bond Program initiative. He said that in each instance the Corporation's goal has always been the same: to deliver the lowest interest rates on its debt to maximize its ability to finance affordable housing while managing both HDC's credit exposure as well interest rate risk. He said that he was pleased to report that the Corporation had been able to consistently offer attractive lending rates while making significant revenue to support its subsidy programs and maintaining its strong AA rating with highly favorable ratings reports from both Moody's and Standard and Poor's.

Mr. Froehlich stated that regarding floating rate debt, the Corporation aggressively moved to issue more floating rate debt beginning in late 2007 when it entered into its first standby bond purchase liquidity facility with Dexia Bank. He said that at that point the Corporation had less than 13% floating rate debt under the open resolution (but much of that amount was auction rate bonds). He said that by the end of 2008 the Corporation had 28% floating rate with most of its old auction debt converted to variable demand notes backed by a combination of liquidity from Dexia, JPMorgan and Bank of America as well as a growing amount of index bonds placed with the Federal Home Loan Bank of New York. He said that floating rates, much lower than comparable length for fixed rate bonds, permitted HDC to offer borrowers fixed rates that allowed HDC to finance projects even as the capital markets almost collapsed after Lehman declared bankruptcy. He said that after the Lehman bankruptcy, the cost of liquidity skyrocketed. He said that the good news was that floating rates moved to very low levels and have stayed low over the last three years. He said that the low interest rates combined with the cost of liquidity have been significantly lower than the fixed rates that the Corporation used for underwriting. He said that the spread difference between its underwriting rate and the actual rate on its floating debt had been one contributor to its strong performance over the last three years.

Mr. Froehlich stated that the only persistent challenge the Corporation had with floating rate related to Dexia. He said that Dexia, was a French/Belgian bank and has needed significant governmental support that still has not prevented it from being downgraded several times. He said that the Corporation finally called the last bonds with Dexia support in the last few weeks. He said that although floating rate was very helpful to HDC, it had repeatedly sought authorization from the Members to gradually reduce its exposure to this tool as overall bond rates had moved lower. He said that the Corporation had no variable rate demand bonds outstanding (other than in conduit transactions). He said that by the end of 2010 HDC had reduced its exposure down to 18%.

Mr. Froehlich stated that overall the Corporation's floating rate exposure had always been managed with the use of both a long term interest rate caps purchased in the context of floating rate bonds originally issued in 2002 and 2003. He said that in addition, the Corporation also had significant cash positions in short term securities and demand deposits which could be reinvested to get a higher yield if rates rise and thus are an effective hedge against interest hikes as well.

Mr. Froehlich stated that HDC still continues to use floating rate in the context of its direct placements of index bonds with the Federal Home Loan Bank. He said that index bonds were not subject to liquidity cost nor were they remarketed. He said that the rate gets set quarterly based on the rate of the FHLB three- month discount note rate or three- month LIBOR plus a spread that is negotiated based on market circumstances at the time of issuance. He said that the Corporation was seeking approval of another transaction with them today, and assuming the issuance of those bonds, it would have approximately 15% floating rate bonds in the Open Resolution by the end of June.

Mr. Froehlich stated that its transactions with the FHLB have allowed the Corporation to exit the auction market and to offer competitive rates on its taxable programs as well as provide it with low cost financing to securitize the Corporation's taxable loans for the Mitchell Lama program and its subsidy programs. He said that they have been a consistent and excellent partner for our programs and much of the Corporation's financial success over the last three years could be traced to its continuing capacity to use its innovative index bond structure with the FHLB.

Next, Mr. Froehlich stated, NIBP had been an important program because it had enabled HDC to offer long term bonds at rates significantly lower than it could under current market conditions while also allowing the Corporation to make a greater spread on long term loans than otherwise possible. He said that although a great help to HDC and its borrowers it had also been incredibly challenging. He said that the HDC team led by Joan, Ellen, Simon, Liz, Susannah, Moira and Tinru, among many others, have spent hundreds of hours educating the GSEs about HDC's programs and also learning the GSE approach to lending. He said that this has not been easy. He said that every loan is reviewed by numerous entities and HDC often is uncertain whether every project it brings to them will be approved by the GSEs and their combined credit committee with Treasury and the Federal Housing Finance Agency (the GSE's regulator) in time with our proposed financing schedule. Thus, he said, HDC asks the Members for a great deal of flexibility in how we finance a project, seeking the ability to issue conventional bonds for any or all of its projects if we don't get GSE approval. He said that HDC appreciates the Members' understanding that we are working with a complicated program but that the Corporation's staff always uses its best judgment in making its recommendations to the Members.

Mr. Froehlich stated that another advantage to NIBP was that the maximum bond rate for the entire year was established in December 2010. He said that in essence we received a free forward interest rate lock from Treasury. He said that the Corporation had taken advantage of this rate lock several times with loans on projects that have received construction financing from Citibank. He said that HDC has not had to issue its bonds at the same time as it had made loans with Citi's participation, thus reducing the negative arbitrage during the construction phase on five deals. Also, he said, this structure was used because of Citi's Community Reinvestment Act requirements. He said that in this transaction the Corporation was asking for the Members to approve a forward bond purchase contract with Citibank on the short term bonds relating to some of these projects so that those bonds relating to the tax credits could be delivered in December when the Corporation will do its final roll out of the NIBP.

Mr. Froehlich stated that by the end of June HDC would have converted approximately $267 million of its $500 million allocation; but when HDC includes the other loans approved by the Members and that would be included in the December roll out, it has used approximately $350 million of its allocation. He added that the staff expects to fully utilize the remaining amount in December.

Mr. Froehlich stated that he would also like to explain how the Corporation breaks up its various projects into different series as he expects that it must be confusing to the Members. He said that often HDC is differentiating between different programs and different bond issues. He said that tax exempt loans are separated from taxable loans. He said that bonds subject to the Alternative Minimum Tax are separated from non-AMT. Also, he said, we put loans for 501(c)3 entities into separate series. He said that in this financing the Corporation also needs to differentiate between the market bonds being issued that relate to our NIBP 1 resolution and the market bonds that relate to NIBP 2 because we have no limit on the number of market bonds for NIBP 2 but can only issue $167 million for NIBP 1 pursuant to Treasury's rules. He said that sometimes HDC also needs to clarify other programs; for instance in its taxable series F bonds it needs to distinguish between the fixed rate bonds and the index bonds as well as those bonds that would be treated as Mitchell Lama bonds because they relate to mortgages being made for Mitchell Lama projects. He said that because of its previous purchase of Mitchell Lama assets from the City that shall be returned to the City upon the repayment of all Mitchell Lama bonds we use prepayments from Mitchell Lama projects to only prepay Mitchell Lama bonds. He said that the Corporation keeps careful track of these different loans as it relates to approximately 20 different series of Mitchell Lama bonds issued by the Corporation since 2004.

Finally, Mr. Froehlich stated, with respect to the Corporation's Mitchell Lama programs it is also requesting authority to make two loans for two large Mitchell Lama developments. He said that one project would be initially funded with corporate services money, but was expected to be included in HDC's final rollout of NIBP. He said that the other project was a coop and would be funded initially with corporate services but would likely be bond funded later this year.

Mr. Froehlich stated that he was glad to review his comments now or he could answer any questions the Members might have after Mr. Bacchus has presented the overall financing plan.

The Chairperson stated that the next item on agenda for consideration by the Members would be the approval of an Authorizing Resolution relating to the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2011 Series D, E, F-1, F-2, F-3, G and H; amendments of the Supplemental Resolutions relating to the Corporation's Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1 and NIBP Series 2; and the approval of making certain loans from the Corporation's reserves. He called upon Simon Bacchus, Acting Senior Vice President of Development, to advise the Members regarding this item.

Mr. Bacchus referred the Members to the Memorandum before them entitled "Multi-Family Housing Revenue Bonds, 2011 Series D, E, F-1, F-2, F-3, G and H, Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 1-4 and 2-4" dated June 2, 2011 (the "Open Resolution Memorandum") and the attachments thereto including (i) the Resolution Authorizing Adoption of the One Hundred Forty-Eighth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series D, the One Hundred Forty-Ninth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series E, the One Hundred Fiftieth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-1, the One Hundred Fifty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-2, the One Hundred Fifty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-3, the One Hundred Fifty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series G, the One Hundred Fifty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series H, the Fourth Supplement to the One Hundred Twenty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1 and the Fourth Supplemental to the One Hundred Twenty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 2 and Certain Other Matters in Connection Therewith; (the "Authorizing Resolution"); (ii) the One Hundred Forty-Eighth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series D; the One Hundred Forty-Ninth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series E; the One Hundred Fiftieth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-1; the One Hundred Fifty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-2; the One Hundred Fifty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-3; the One Hundred Fifty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series G; the One Hundred Fifty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series H; the Fourth Supplement to the One Hundred Twenty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1; the Fourth Supplement to the One Hundred Twenty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 2 (each, a "Supplemental Resolution" and collectively, the "Supplemental Resolutions"); (iii) the Bond Purchase Agreement and the Forward Bond Purchase Agreement; and (iv) the Preliminary Official Statement relating to the 2011 Bonds and the Supplements to the Official Statements relating to the NIBP 2009 Series 1-4 Bonds and the

NIBP 2009 Series 2-4 Bonds (each, an Official Statement" and collectively, the "Official Statements"), all of which are appended to these minutes and made a part hereof.

Mr. Bacchus stated that he was pleased to recommend that the Members approve the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2011 Series D, 2011 Series E, 2011 Series F-1, 2011 Series F-2, 2011 Series F-3, 2011 Series G and 2011 Series H (collectively, the "2011 Bonds") in an amount not to exceed $461,185,000. He stated that in connection with the issuance of the 2011 Bonds, the Corporation would remarket the remaining $37,600,000 of its 2010 Series L-2 Bonds pursuant to a Supplemental Resolution previously approved by the Members. Mr. Bacchus stated that the Members were also recommended to approve the fourth release of the Corporation's Multi-Family Housing Revenue Bonds, 2009 Series 1-4 and 2009 Series 2-4 (collectively, the "2009 Bonds" or "2009 NIBP Bonds", and together with the 2011 Bonds, the "Bonds") in an amount not to exceed $49,580,000. He reminded the Members that these Treasury bonds were issued in December 2009 pursuant to the New Issue Bond Program, and said that this fourth release would bring the total lent under the program to approximately $270,000,000.

Mr. Bacchus stated that the 2011 Series D and 2011 Series E Bonds were expected to be issued as tax-exempt bonds on a fixed-rate basis, and that the 2011 Series D and 2011 Series E Bonds were expected to be bond issuances consisting of new private activity bond volume cap and recycled volume cap.

Mr. Bacchus stated that the 2011 Series F-1 Bonds were expected to be issued on a fixed-rate basis, and that the 2011 Series F-2 and 2011 Series F-3 Bonds were expected to be issued as variable rate index bonds and directly placed with the Federal Home Loan Bank of New York. He said that the interest on the 2011 Series F Bonds would not be exempt from Federal income tax, but would be exempt from state and local income tax.

Mr. Bacchus stated that the 2011 Series G and 2011 Series H Bonds were expected to be issued in December of 2011 as tax-exempt bonds on a fixed-rate basis and would be subject to the private activity bond volume cap. He said that the Members were being requested to authorize the Corporation to enter into one or more forward bond purchase agreements with Citibank, N.A. ("Citibank") in June of 2011 regarding the sale of such bonds.

Mr. Bacchus stated that the Supplemental Resolutions relating to the 2011 Bonds constitute the 148th through 154th Supplemental Resolutions approved under the Corporation's Open Resolution originally adopted by the Members in 1993.

Mr. Bacchus stated that the 2011 Bonds and 2009 Bonds were expected to be issued in the modes described today; however, he said, a senior officer of the Corporation may determine to issue the Bonds in multiple issuances pursuant to the same Supplemental Resolutions and to reallocate Bond amounts issued under any particular series as long as the total amount of 2011 Bonds issued did not exceed $461,185,000.

Mr. Bacchus stated that the Corporation intends to use the 2011 Series D Bonds, the 2011 Series E Bonds and the 2009 Bonds to finance the new construction, or acquisition and rehabilitation, of 12 developments located in the Bronx, Manhattan and Brooklyn containing greater than 1,600 units of housing. Mr. Bacchus stated that four of the developments would also receive low interest subordinate financing from the Corporation ("Subordinate Loans"); and it's expected that up to $28,000,000 of corporate reserves would be used to finance the four Subordinate Loans.

Mr. Bacchus stated that the issuance of the 2011 Series F Bonds, in an amount not to exceed $99,925,000 would allow for replenishment of the Corporation's reserves, which could then be re-lent to new developments in furtherance of the Corporation's commitment to the Mayor's New Housing Marketplace Plan.

Mr. Bacchus stated that the 2011 Series F-1 Bonds and 2011 Series F-2 Bonds would be used in part to dissolve the 1996 New York City Mortgage Loan Trust (the "Trust") by paying off the certificate holders of the Trust. He said that the Members were requested to authorize the Corporation to amend and restate the participation agreement by and between the Corporation and the City so that the Corporation's interest becomes a 100% participation interest subsequent to the dissolution of the Trust. He said that the Members were requested to authorize the use of $45,000,000 of the Corporation's unrestricted reserves to temporarily pay the costs of the dissolution until the 2011 Series F-1 Bonds and the 2011 Series F-2 Bonds are issued on or about June 30, 2011.

Mr. Bacchus stated that the 2011 Series F-3 Bonds would be used in part to acquire loans previously originated or acquired by the Corporation with its own corporate funds as well as to provide financing for a co-first position loan for a development expected to be financed with a portion of the 2011 Series E Bonds and a portion of the 2009 Series 2-4 Bonds.

Additionally, Mr. Bacchus stated, the Members were being requested to authorize the Corporation to originate four taxable construction loans for 3 new construction projects and 1 acquisition and rehabilitation project. He said that it was anticipated that upon origination HDC would sell a 100% participation in the construction loans to Citibank. He said that the Corporation would purchase Citibank's participation interest in December of 2011 with a portion of the proceeds from the final release of NIBP bond proceeds and the issuance of the Corporation's tax-exempt bonds, including the 2011 Series G and 2011 Series H Bonds.

Mr. Bacchus stated that the Members were requested to approve the making of the Subordinate Loans for certain of the developments to be financed with the proceeds of the 2011 Bonds in an amount not expected to exceed $75,000,000 to be funded by using the Corporation's unrestricted reserves.

Mr. Bacchus stated that the Members were further being requested to approve the origination of a first position loan for the Penn South Development and a participation agreement with Wells Fargo pursuant to which Wells Fargo would acquire a 99% interest in such loan. He said that the Corporation's reserves in an amount not to exceed $3,000,000 would be used to fund the Corporation's 1% interest in such loan.

Mr. Bacchus stated that the Members were further being requested to authorize the Corporation to originate a first position permanent loan in an amount not to exceed $44,850,000 from the Corporation's reserves to finance the rehabilitation and preservation of a Mitchell-Lama development containing over 1,700 units. He said that it was expected that the Corporation would issue a separate series of Mitchell Lama bonds later in 2011 or 2012, the proceeds of which will be used to reimburse the Corporation for the reserves initially used to fund the loan.

Mr. Bacchus noted that descriptions of all the projects with further detail are attached to the Open Resolution Memorandum. He added that all risks and fees associated with the 2009 Bonds and the 2011 Bonds were also are outlined in the Open Resolution Memorandum. He said that it was expected that the Bonds would be rated AA by Standard & Poor's Ratings Services ("S&P") and Aa2 by Moody's Investors Service, Inc. ("Moody's").

Mr. Froehlich, then described the provisions of the Authorizing Resolution to the Members and the actions the Members were being requested to approve.

Upon a motion duly made by Mr. Gould, and seconded by Mr. Page, the Members unanimously:

RESOLVED, to approve (A) the Authorizing Resolution that provides for (i) the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the 2011 Bonds, (ii) the adoption of Fourth Supplements to amend the Supplemental Resolutions to the Open Resolution providing for the release of the 2009 NIBP Bonds; (iii) the distribution of Preliminary and final Official Statements for the 2011 Bonds; (iv) the refunding of certain outstanding bonds of the Corporation; (v) the execution of bond purchase agreement(s) with the Underwriter(s) of the 2011 Series D, 2011 Series E and 2011 Series F Bonds or a direct purchaser of any or all of the 2011 Series D, 2011 Series E and 2011 Series F Bonds and the execution of a Release Certificate by the Corporation for the 2009 Series 1-4 and 2009 Series 2-4 Bonds; (vi) the use of the Corporation's unrestricted reserves to fund capitalized interest and mortgage reserves for the 2009 NIBP Bonds and the 2011 Bonds, as may be required, and to pay all costs associated with the release from escrow of the proceeds of the 2009 Series 1-4 and the 2009 Series 2-4 Bonds; (vii) the use of the Corporation's general obligation as a "Cash Equivalent" (under the Open Resolution) to satisfy the Debt Service Reserve Account requirement with respect to the 2009 NIBP Bonds and the 2011 Bonds and to pledge for the benefit of the 2009 Series 1-4 Bonds and the 2009 Series 2-4 Bonds; (viii) the execution by the President or any Authorized Officer of the Corporation of a commitment to release additional bond proceeds under NIBP; (ix) the execution by the President or any Authorized Officer of the Corporation of any and all documents necessary to issue the 2011 Bonds, to make the mortgage loans relating to the 2009 NIBP Bonds, the 2010 Series L-2 Bonds and the 2011 Bonds and to participate in the Federal New Issue Bond Program, including the execution of one or more Release Certificates for the 2009 Series 1-4 and 2009 Series 2-4 Bonds and any Participation Agreements among the Corporation, the trustee under the Open Resolution and the trustee under the NIBP Supplemental Resolution; (x) the execution of forward bond purchase agreement(s) with Citibank N.A. relating to the issuance of 2011 Series G and 2011 Series H Bonds; (xi) the execution of an Amended and Restated Participation Agreement, amending and restating the Participation Agreement by and between the Corporation and the City of New York, dated as of December 29, 2004, as subsequently amended and modified, with respect to the dissolution of the 1996 New York City Mortgage Loan Trust; (B) the making of Subordinate Loans for certain of the developments to be financed with the proceeds of the 2011 Series D, 2011 Series E, 2011 Series G, 2010 Series L-2, 2009 Series 1-4 and 2009 Series 2-4 Bonds in an amount not expected to exceed $74,720,000 to be funded by using the Corporation's unrestricted reserves and the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish each subordinate financing; (C) the making of +a first position permanent loan in an amount not to exceed $44,850,000, from the Corporation's unrestricted reserves, to finance the rehabilitation and preservation of Dayton Towers, a 1,758 unit former Mitchell-Lama development, pursuant to the Mitchell-Lama Restructuring Program and the Mitchell-Lama Repair Loan Program and the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish the financing; (D) the origination of a first position construction loan for the Penn South Development and a participation agreement with Wells Fargo pursuant to which Wells Fargo will acquire a 99% interest in such loan, and the use of the Corporation's unrestricted reserves in an amount not to exceed $3,000,000 to fund the Corporation's 1% interest in such loan; (E) the origination of taxable construction loans in an amount not to exceed $129,615,000, the subsequent purchase by the Corporation of Citibank, N.A.'s 100% participation interest in such loans for 4 developments and the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish such financings; and (F) the use of $45,000,000 of the Corporation's unrestricted reserves to temporarily pay on or about June 25, 2011 the costs of the dissolution of the 1996 New York City Mortgage Loan Trust until the 2011 Series F-1 Bonds and 2011 Series F-2 Bonds are issued on or about June 30, 2011.

The Chairperson stated that the next item on the agenda would be the approval of amendments to the By-Laws. He called upon Mr. Froehlich to advise the Members regarding this item.

Mr. Froehlich referred the Members to the memorandum before them entitled "Amendments to the Corporation's By-Laws" dated June 2, 2011 and the By-Laws showing the proposed amendments attached thereto, which is appended to these minutes and made a part hereof. He stated that the Members were being asked to approve amendments to the Corporation's By-Laws to add the position of Chief Operating Officer and noted that the By-Laws were included in the Members' packages with the proposed revisions underlined.

Upon a motion duly made by Mr. Gould, and seconded by Mr. Ciampa, the Members unanimously:

RESOLVED, to approve the Amendments to the Corporation's By-Laws.

The Chairman stated that the next item on the agenda would be the approval of new officers. He called upon Mr. Jahr to advise the Members regarding this item.

Mr. Jahr referred the Members to the three memoranda before them entitled, respectively, "Appointment of Richard M. Froehlich as Chief Operating Officer", "Appointment of Joan Tally as Executive Vice President" and "Appointment of Simon Bacchus as Senior Vice President", each dated June 2, 2011, and the attachments thereto, which are appended to these minutes and made a part hereof. Mr. Jahr stated that first, he was pleased to recommend that the Members approve the appointment of Richard M. Froehlich as Chief Operating Officer of the Corporation. He said that Mr. Froehlich had been with HDC since 2003 when he was initially appointed as Senior Vice President and General Counsel. He said that when he came to HDC he asked that Mr. Froehlich continue as General Counsel, but assume additional responsibilities as Executive Vice President for Capital Markets. He said that now he wished to further expand Mr. Froehlich's responsibilities.

Mr. Jahr stated that Mr. Froehlich had done a remarkable job both as General Counsel and as Executive Vice President for Capital Markets. He said that there were few, if any, individuals who were as supple and creative thinkers as Mr. Froehlich at the intersection of bond and real estate finance. He said that his contributions to the financial health of the Corporation as well as to its real estate finance activities amply support his appointment to the position of Chief Operating Officer.

Mr. Jahr stated that Mr. Froehlich graduated with an A.B. from Columbia College and received his J.D. from Columbia School of Law. He said that subject to the Members' approval, Mr. Froehlich's appointment would be effective as of June 9, 2011 at his current salary. He added that there would be no change to his annual leave eligibility.

Mr. Jahr stated that he was also pleased to recommend that the Members approve the appointment of Joan Tally as Executive Vice President for Real Estate and Chief of Staff for the Corporation. He said that Ms. Tally had been with the Corporation for a decade, when she was initially hired as a Project Manager in the Development department. He said that since that time, in recognition of her qualifications and performance, she had been successively promoted to Senior Project Manager, Assistant Vice President, Vice President and Senior Vice President.

Mr. Jahr stated that when he arrived at HDC, at the urgings of many people within the industry, he sought and received the approval of the Members to appoint Joan to her current position as Senior Vice President for Development. He said that her performance had borne out the wisdom of that decision. He said that she had done a superb job managing staff and ensuring that the Corporation meet its ambitious productivity targets.

Mr. Jahr stated that Ms. Tally was a product of the City University of New York system. He said that she received her B.A. as well as her Masters in Urban Planning from Hunter College. He said that subject to the Members' approval, Ms. Tally's appointment would be effective June 9, 2011 at a salary of $187,500. He said that there would be no change to her annual leave eligibility.

Finally, Mr. Jahr stated, he wished to recommend that the Members approve the appointment of Simon Bacchus as HDC's Senior Vice President for Development. He said that Mr. Bacchus would succeed Ms. Tally in that position. He said that Mr. Bacchus had worked for the Corporation since 2007, and had followed a path similar to Ms. Tally's, assuming progressively greater responsibilities. He said that initially hired as a Project Manager, on the basis of his qualifications and fine performance, he was promoted to Senior Project Manager, Assistant Vice President, and then Vice President. He said that since April 4, 2011, he had been serving as Acting Senior Vice President for Development. He said that he was now formally recommending that the Members approve his appointment as Senior Vice President for Development.

Mr. Jahr stated that Mr. Bacchus graduated with a B.A. from The New School and received his Masters in Public Administration from New York University's Robert F. Wagner School. He said that subject to the Members' approval, Mr. Bacchus' appointment would be effective June 9, 2011 at a salary of $167,000. He said that there would be no change to his annual leave eligibility.

Upon a motion duly made by Mr. Frankel, and seconded by Mr. Page, the Members unanimously:

RESOLVED, to approve the appointment of Richard M. Froehlich as Chief Operating

Officer for the Corporation effective as of June 9, 2011 at his current salary with no change to his annual leave eligibility, Joan Tally as Executive Vice President for Real Estate and Chief of Staff for the Corporation effective as of June 9, 2011 at a salary of $187,500 with no change to her annual leave eligibility, and Simon Bacchus as Senior Vice President for Development for the Corporation effective as of June 9, 2011 at a salary of $167,000 with no change to his annual leave eligibility.

At 3:03 p.m., there being no further business, upon a motion duly made by Mr. Page, and seconded by Mr. Ciampa, the meeting was adjourned.

Respectfully submitted,

Diane J. Pugacz
Assistant Secretary

MINUTES
OF THE MEETING OF THE
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

June 9, 2011

ATTENDANCE LIST

Howard I. Berkman	Hawkins Delafield & Wood LLP
R. Gregory Henniger	" "
Marvin Markus	Goldman Sachs & Co.
Alan Jaffe	" "
Kent Hiteshew	JPMorgan
Annie Lee	" "
James McIntrye	Morgan Stanley
Geoff Proulx	" "
Matthew Tague	Orrick, Herrington & Sutcliffe, LLP
Eileen Heitzler	" "
Michael Baumrin	RBC Capital Markets
Jennifer Steinberg	Office of Management & Budget
Matt Bissonette	Citibank
Julie Burger	Ramirez
Amy Bartoletti	" "
Joe Tait	Morgan Keegan
Barbara Feldman	BOA Merrill Lynch
Matthew Brian	The Richman Group Dev. Corp.
Keziah McGuinness	Wells Fargo
Craig Hrinkevich	" "
Michael Caldiero	" "
Anthony Richardson	NYC Department of Housing Preservation and Development
Tatiana Pena	" "
Marc Jahr	New York City Housing Development Corporation
Richard M. Froehlich	" "
Joan Tally	" "
Diane J. Pugacz	" "
Melissa Barkan	" "
Chanin French	" "
Ellen K. Duffy	" "
Claudine Brown	" "
Susannah Lipsyte	" "
Jeffrey Stone	" "
Michael Ray	" "
Ted Piekarski	" "
Kristen Smith	" "
Moira Skeados	" "
Eileen M. O'Reilly	" "

Mary McConnell	"	"
Mary Hom	"	"
Bharat Shah	"	"
Cathleen Baumann	"	"
Terry Gigliello	"	"
Urmas Naeris	"	"
Pellegrino Mariconda	"	"
Tinru Lin	"	"
Liz Oakley	"	"
Mary John	"	"
Cheuk Yu	"	"
Ruth Moreira	"	"
Shirley Jarvis	"	"
Luke Schray	"	"
Kerry Yip	"	"
Juliet Morris	"	"
Marcus Randolph	"	"
Jerry Mascuch	"	"
Cathy Foody	"	"
Iris Chang	"	"
Annie Yiu	"	"
Lisa Geary	"	"
Simon Bacchus	"	"
Will Martin	"	"
Jackie Moynahan	"	"
Jonah Lee	"	"
Josh Weisstuch	"	"
Sylvie Rampal	"	"
Eli Ackerman	"	"
Peggy Joseph	"	"
Amanda Marquit	"	"
Catherine Townsend	"	"