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

June 11, 2012

The meeting of the Members of the New York City Housing Development Corporation (the "Corporation" or "HDC") was held on Monday, June 11, 2012 at the offices of the Corporation, 110 William Street, 10th Floor, New York, New York 10038. The meeting was called to order at 4:10 p.m. by the Chairperson, Mathew M. Wambua, who noted the presence of a quorum. The Members present were Felix Ciampa, David M. Frankel, Charles G. Moerdler and Denise Notice-Scott. The Members absent were Harry E. Gould, Jr. and Mark Page. A list of observers is appended to these minutes.

The Chairperson called for the approval of the minutes of the meeting held on April 16, 2012.

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

RESOLVED, to adopt the minutes of such meeting.

The Chairperson then called upon Felix Ciampa for a report of the Audit Committee.

Mr. Ciampa stated that the Audit Committee met just prior to this meeting, at which time the Members reviewed the second quarter financials, as well as investment, debt, credit and internal audit reports.

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 bid a good afternoon to the Members and others in attendance. He said that it was June and, along with our colleagues at HPD, the Corporation was preparing for the construction loan closings that always punctuate the end of the City's fiscal year. He said that at HDC's April meeting he outlined the legislative and administrative processes that result in the allocation of cap to HDC, our recent history of allocations, as well as the scale of our June pipeline.

Mr. Jahr stated that since that time, the wheels of government have ground on: the Private Activity Volume Cap allocation bill had been reported out of the Assembly's Ways and Means Committee, and the companion bill was placed on and reported out of the Senate Finance Committee. He said that for the policy wonks among us, these are numbered A.9693 and S.6901, respectively. He said that it was the Corporation's expectation that the bills would pass this coming week and be immediately delivered to the Governor for his signature.

Mr. Jahr stated that the City's IDA had already indicated that it would allocate $178MM in cap to HDC for our June closings, which is a typical June allocation to HDC, and the State was actively considering HDC's request for an additional $120MM, which is not so typical a request for this time of the year. He said that his hope was that by the end of this week we'll know precisely the amount of cap available for the June closings and, but for a few ministerial tasks, and assuming the Members' approval later in this meeting of a resolution authorizing the Corporation to issue new bonds, we will have the ability to issue the bonds.

Mr. Jahr stated that at the last meeting, he also sized for the Members the pipeline of deals that is ready to be closed. He said that there has been virtually no attrition: 13 bond deals—4 new construction containing 608 units and 9 preservation deals containing 2,378 apartments. He said that in the aggregate, these developments would require approximately $300-$320MM in volume cap, $58MM in HDC subsidy and $43MM in HPD subsidy. He said that the Corporation also had an additional four Mitchell Lama developments containing 5,355 apartments and located in Manhattan, Brooklyn, and The Bronx with total development costs amounting to $242.6MM preparing to close. He said that all in all, it's an exceptionally full pipeline of deals that would add to and preserve the City's affordable housing stock, strengthen the neighborhoods surrounding the developments, and provide additional needed stimulus to the economy.

He said that he was not going to highlight any of these deals, but he did want to note the significance of one of the four (4) Declaration of Intent resolutions which the Corporation would seek the Members' approval of today: "Metro East 99th Street", otherwise known in our shorthand as "Goldwater Hospital." He said that the City in partnership with Cornell University and the Technion-Israel Institute of Technology plans to develop an applied engineering campus on Roosevelt Island. He said that a critical step in this process is the relocation of patients currently hospitalized at Coler-Goldwater Specialty Hospital and Nursing Facility on Roosevelt Island to facilities and residences in New York City. He said that "Metro East 99th Street", projected to be a 175 unit rental project on land currently owned by the New York City Health and Hospital Corporation, was one piece of that relocation puzzle, a puzzle that must be solved if this ambitious project is to remain on track.

Mr. Jahr stated that last week, the Members may have noticed that on behalf of HPD and HDC, the Chairperson, in conjunction with the City Council Speaker, Christine Quinn, announced the launch of our new, automated, affordable housing lottery web site, called "NYC Housing Connect." He said that the announcement was covered by The New York Times, WNYC, Crain's, and The New York Observer. He said that this site would enable New Yorkers to fill out a single application and apply to multiple HPD and HDC new housing lotteries using an automated online system accessible on the new web site. He said that it was already a great hit: as of this morning 2,715 individuals had registered at the site, and 679 applications had been filed for a development in Staten Island, while 957 applications had been submitted for a Brooklyn development.

Mr. Jahr stated that to give you a sense of the scale of applications this site would have to manage, last year, HDC conducted 19 lotteries for 18 new projects, and 94,675 applications were received for 1,595 marketed affordable units or, on average, 59 applications per unit. He said that the reason there were 19 lotteries but only 18 projects is that one development—The Balton located in Harlem—held separate lotteries for its low and middle income units. He said that interestingly, it was The Balton's two lotteries which bookend the vast range which exists in response-to-unit ratio. He said that its middle-income lottery attracted 464 applications for 116 units (a ratio of just 4 applications per unit); while its low-income lottery attracted 9,577 applications for 39 units (a ratio of 246 applications per unit). Mr. Jahr stated that separately, HPD also conducted a series of lotteries for several smaller scale developments. He said that although New Yorkers would still be able to submit paper applications to the lottery—not everyone has a computer—the new on-line system would make the process far more efficient both for the thousands of New Yorkers who apply for housing, as well as for HPD and HDC staff, and the developers marketing and leasing-up their projects.

Mr. Jahr stated that the launch of the on-line lottery had also driven additional traffic to HDC's website. He said that that Corporation was attentive to its website metrics and total visits had increased 20% since the lottery application press release. He said that total visits this month through June 7 stand at 10,736; from January 1 through May 31 we've had 192,257 total visits of which 56,205 were referred from NYC.gov, a third from Google search, and 26% of all visitors went directly to our site. He said that total visits, to date, from Mobile and Tablet devices are up to 18% from our average of 14% in prior months, and the vast majority, way over 75% of these visitors, are looking for affordable housing.

Mr. Jahr stated that recently, HDC has also embedded videos on our web site. So, for instance, he said, since May 4, 13 visitors have viewed Rich's remarks accepting an award at the Citizens Housing and Planning Council, and a video, produced by Citi about the Elliot Chelsea groundbreaking has been viewed 28 times since April 4th. He said that the amount of information that could be gleaned from the internet was scary.

Finally, Mr. Jahr stated, he'd like to briefly comment on a couple of matters pertaining to the Corporation's financial status and activities. He said that at the Members' last meeting, Ellen Duffy, Senior Vice President for Debt Issuance and Finance for the Corporation, sought and received the Members' approval for an Interest Rate Hedge Advisor and a Pricing Advisor. He said that at this meeting, Ms. Duffy would seek the Members' approval of a set of underwriters for the Corporation's bond issuances. He said that he would leave it to Ms. Duffy to review the process the Corporation undertook to select the underwriters, as well as the list of whom we've selected and the responsibilities we've assigned them. He said that apart from that, his only comment was that we think (1) it's important to periodically refresh our list of underwriters and our understanding of the business, and the RFP process enables us to do that; (2) the process also enables us to strengthen and enlarge the number of Minority and Women owned Business Enterprises involved in our business, a task that we take seriously; and (3) in an age of continuing economic uncertainty, globally and domestically, it remains crucial that the pool of underwriters we can draw upon remains diverse and robust. He said that none of us could ever be certain about who will come up very badly on the wrong side of a trade.

Mr. Jahr stated that apart from this, the Corporation's finances remain reassuringly healthy. He said that revenues remain strong, and we continue to closely monitor and manage our expenses. He said recently, he forwarded the Members Standard and Poor's May 30, 2012 credit rating report where they affirmed HDC's long term General Obligation as AA/Stable. He said that REMIC's rating was similarly affirmed. He said that if the Members haven't had the time to read these reports, he urged them to try to read them. He said that they were helpful assessments of the Corporation's financial structure and business.

Mr. Jahr stated that after summarizing the Corporation's strengths, S&P states that "In our view, partially offsetting these strengths is the stress on NYCHDC's corporate and bond program investment income due to prevailing low interest rates." He said that this is an issue that we have to contend with; however, with the recent ratcheting down of the 10 year Treasury amidst the Eurozone's financial turmoil and the lagging U.S. economic recovery, we also think there are opportunities for us to further restructure the HDC balance sheet so that it remains sound and profitable in the future. He said that we hope that the completion of our Underwriter's RFP process will allow us now to engage in a fruitful conversation with all of them about the strategies we should pursue to ensure that happens as the globe's financial tectonics continue to dramatically shift. Mr. Jahr stated 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 stated that he was excited about the online lottery and thanked all who were involved in getting it up and running, including, from HDC, Terry Gigliello, Rino Mariconda and Jim Quinlivan.

The Chairperson stated that pursuant to the Public Authorities Accountability Act, and for the purposes of discussing the next items on the agenda, we would now commence the meeting of HDC's Finance Committee.

The Chairperson stated that the next item on the agenda would be the Approval of Underwriters for the Corporation's Bond Issuances. He called upon Ms. Duffy to advise the Members regarding this item.

Ms. Duffy thanked the Members and referred them to the memorandum before them entitled "Report Regarding Request for Proposals for Bond Underwriters" dated June 4, 2012 (the "RFP Memorandum"). She said that the Corporation had issued a Request for Proposal ("RFP") for managing underwriters, details of which were outlined in the memo of November 21, 2011 and discussed at the Members' Meeting of November 30, 2011.

Ms. Duffy stated that the Corporation's RFP was broadly distributed in December 2011 to the leading investment banking firms in housing finance, including Minority & Women Owned Business Enterprise ("M/WBE") firms, and firms that had previously expressed an interest in becoming a managing underwriter. She said that the RFP was publicly advertised in "The Bond Buyer," and the Corporation received 29 written responses by the deadline of January 11, 2012. She said that of these responses, 23 firms sought a role as Senior Manager, while the remaining firms proposed to be Co-Manager for the Corporation's debt issuance. She said that based upon the Committee's review of the RFPs, twelve firms, including three M/WBE firms, were invited to make oral presentations to the Corporation.

Ms. Duffy stated that in making recommendations for selection to the Members, the Committee concluded that there were three distinct categories of financing for which the Corporation would need the services of a Senior Manager: (1) the Corporation's Multi-Family Housing Revenue Bond Resolution (the "Open Resolution") issuances; (2) the Corporation's Multi-Family Secured Mortgage Revenue Bond Resolution ("Mini-Open") issuances, and (3) stand-alone conduit ("Stand-Alone") issuances.

Ms. Duffy stated that in its assessment process, the Corporation was particularly focused on the appointment of M/WBE firms to Senior Manager roles. She said that nine M/WBE firms and one Service Disabled Veteran Owned firm ("Disabled Veteran") submitted RFPs. She said that the Committee recommends for the Members' approval, three M/WBE firms in Senior

Manager roles, and four M/WBE firms and one Disabled Veteran firm as co-managers. She said that a summary chart of the Committee's recommendations (in alphabetical order) for each of the services is provided in Appendix A of the RFP Memorandum.

For the Open Resolution, Ms. Duffy stated that the Committee was recommending changes to the senior management team categories, as well as the composition of the Senior Manager and co-manager firms. She said that the Committee recommends expanding the Corporation's senior management team from two to four firms, and breaking the Senior Manager into two categories; Senior Manager and Rotating Senior Manager. She stated that the Committee recommends reappointing JP Morgan as the Senior Manager.

Ms. Duffy stated that the Committee recommends the following firms for the position of Rotating Senior Manager for the Open Resolution:

- Citigroup Global Markets, Inc. ("Citi")
- Morgan Stanley
- M.R. Beal and Company ("M.R. Beal") *

Ms. Duffy stated that the Review Committee was recommending the following firms for Co-Senior Manager for the Open Resolution:

- Bank of America/Merrill Lynch
- Goldman Sachs
- Siebert Brandford Shank & Co., LLC ("Siebert")*
- Wells Fargo Securities ("Wells Fargo")

Ms. Duffy stated that the Committee recommends that on future Mini-Open issuances, the book-running Senior Manager would rotate between the following three firms:

- Bank of America/Merrill Lynch
- Ramirez & Co., Inc. ("Ramirez") *
- Raymond James & Associates, Inc. ("Raymond James")

Ms. Duffy stated that the Committee recommends that any of the firms previously named as a Senior Manager were eligible to be a Senior Manager on Stand-Alone issuances. She said that additionally, the Committee was recommending RBC Capital Markets, LLC ("RBC") and Barclays Capital, Inc. ("Barclays") be added to the Senior Manager pool for the Stand-Alone deals.

Ms. Duffy stated that for most issuances, the Corporation would need a management group comprised of a variety of firms to serve as Co-Manager, including those with a retail client base, an institutional client base, a local presence and/or national scope. She said that the Committee agreed that the recommendations for firms to serve as Co-Manager apply to the Open Resolution, Mini-Open Resolution and Stand-Alone deals. She said in addition to the twelve firms recommended for Senior Manager positions, the following firms were recommended for Co-Manager:

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* **MWBE Firm**

- CastleOak Securities, L.P.*
- Drexel Hamilton, LLC (Disabled Veteran owned)
- Fifth Third Securities, Inc.
- Janney Montgomery Scott, LLC
- Lebenthal & Co., LLC *
- Loop Capital Markets, LLC*
- Merchant Capital, LLC
- M&T Securities, Inc.
- Roosevelt and Cross, Incorporated
- Stern Brothers & Co.*
- Stifel, Nicolaus & Company, Inc.

Ms. Duffy stated that the Committee additionally recommends that HDC continue its practice of encouraging its Co-Senior Managers and Co-Managers to take an active stance in assisting the Corporation to structure financings for projects in its pipeline. She said that should any Co-Senior Manager or Co-Manager generate a unique and innovative financing structure that results in significant savings for HDC, that firm should have the opportunity to be promoted to Senior or Co-Senior Manager for that particular offering.

Ms. Duffy then asked if there were any questions.

Mr. Moerdler stated that he would like to disclose for the record that members of his firm, but not he, from time to time represent JPMorgan Chase, Citigroup, Goldman Sachs and Wells Fargo, but pursuant to an opinion of the Conflicts of Interest Board, his disclosure of that fact suffices, and he need not recuse himself. Mr. Moerdler then asked if he was correct in understanding that, for example, if you take the position of Senior Manager and Co-Senior Manager, the default is the Senior Manager and the decision on a case by case basis is made as to whether the Co-Senior Manager fills in, or not? Mr. Froehlich said that for the Open Resolution that was correct; either the Senior Manager or the Rotating Senior Manager would likely be the Senior Manager, and HDC has provided flexibility so that in an unusual situation, a Co-Senior Manager could also be a Senior Manager, but the default is the Senior Manager. Mr. Moerdler asked if that concept applied to the other categories. Mr. Froehlich said that it did not. He said that for Mini-Open issuances, a Senior Manager would be selected from amongst three rotating firms, and for Stand-Alone issuances, a Senior Manager would be selected from amongst the twelve firms that are eligible.

Ms. Duffy then described the actions the Members were being asked to approve.

Upon a motion duly made by Mr. Frankel, and seconded by Ms. Notice-Scott, the Members of the Finance Committee unanimously:

RESOLVED, to approve the recommendations made by the Review Committee pertaining to the selection of Senior Managers, Rotating Senior Managers, Co-Senior Managers, and Co-Managers for the issuance of the Corporation's Open Resolution, Mini-Open, and Stand-Alone debt, and additional recommendations as set forth in the RFP Memorandum.

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* **MWBE Firm**

The Chairperson stated that the next item 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, 2012 Series D and 2012 Series E, and an Authorizing Resolution relating to the Second Amendment to the 2006 Series J-1 Supplemental Resolution. He called upon Simon Bacchus, Senior Vice President for Development of the Corporation, to advise the Members regarding this transaction.

Mr. Bacchus referred the Members to the memorandum before them entitled "Multi-Family Housing Revenue Bonds, 2012 Series D and E; Second Amendment to 2006 Series J-1 Supplemental Resolution and Approval of Several Loans from Unrestrictive Reserves" dated June 4, 2012 (the "Open Resolution Memorandum") and the attachments thereto including (i) the Resolution Authorizing the Repeal of the One Hundred Sixty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2012 Series D, adopted on April 16, 2012, and Authorizing Adoption of the One Hundred Sixty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2012 Series D and the One Hundred Sixty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2012 Series E and Certain Other Matters in Connection Therewith, and the Resolution Authorizing Adoption of the Second Amended and Restated Eighty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2006 Series J-1 and Certain Other Matters in Connection Therewith (each, an "Authorizing Resolution" and together, the "Authorizing Resolutions"); (ii) the One Hundred Sixty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2012 Series D, the One Hundred Sixty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2012 Series E, and the Second Amended and Restated Eighty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2006 Series J-1 (each, a "Supplemental Resolution" and collectively, the "Supplemental Resolutions"); (iii) the Preliminary Official Statement; (iv) the Bond Purchase Agreement; and (v) the Remarketing Purchase Contract, all of which are appended to these minutes and made apart 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, 2012 Series D and 2012 Series E (collectively, the "Bonds" or the "2012 Bonds") in an amount not to exceed $400,000,000. He said that the Supplemental Resolutions relating to the 2012 Bonds would constitute the 162nd and 163rd Supplemental Resolutions to be approved under the Corporation's Open Resolution.

Mr. Bacchus stated that interest on the 2012 Series D Bonds was expected to be exempt from Federal, state and local income tax. He said that the 2012 Series D Bonds would consist of an allocation of both new private activity bond volume cap and a small portion of "recycled" volume cap. He said that the Series D Bonds would be issued on a fixed rate basis. Mr. Bacchus stated that the proceeds of the 2012 Series D Bonds, in an amount not expected to exceed $325,000,000, were expected to be utilized to provide first position construction and permanent financing for the new construction or acquisition and rehabilitation of thirteen developments, consisting of just under 3,000 units located in the Bronx, Brooklyn and Manhattan. Mr. Bacchus stated that three (3) LAMP developments, two (2) LAMP Preservation developments and one (1) New HOP development would receive subordinate financing from the Corporation in an amount not to exceed $58,500,000 to be funded from unrestricted reserves and the 421-a affordable housing trust fund.

Mr. Bacchus stated that interest on the 2012 Series E Bonds would not be exempt from Federal income tax, but would be exempt from state and local income tax. He said that the Series E Bonds would be issued on a fixed rate basis in July of 2012. Mr. Bacchus stated that the staff recommends that the Members approve the issuance of the 2012 Series E Bonds in an amount not to exceed $75,000,000 to: 1) refund a portion of the Corporation's Multi-Family Housing Revenue Bonds, 2002 Series E-2 and 2002 Series F, 2) acquire loans previously funded by the Corporation with its own corporate funds and 3) re-leverage assets currently held under the Open Resolution in order to monetize such assets and lock in funding at the current low rates. He said that the issuance of the 2012 Series E Bonds would allow for replenishment of the Corporation's reserves, which can 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 in addition, the Members were being asked to approve a second amendment to the Authorizing Resolution for the 81st Supplemental Resolution to allow for the remarketing of the 2006 Series J-1 Bonds pursuant to a direct purchase of the bonds by SunTrust Bank. He said that the 2006 Series J-1 Bonds were expected to be remarketed on an index rate basis and to be secured by a Mortgage Purchase Agreement. He said that the bonds would be remarketed under a separately secured "walled-off" supplemental resolution under the Open Resolution to allow the bonds to become an unrated series. He said that in the event that SunTrust Bank fails to purchase the bonds, the Corporation would remarket the bonds as a rated series into another term rate term.

Mr. Bacchus stated that further, the Members were asked to authorize the Corporation to pledge any unencumbered assets of the Corporation to the Open Resolution. He said that certain issuances of the Corporation exceed the tax exempt bond yield requirements under the Internal Revenue Code of 1986. He said that the authorization would allow the Corporation to pledge low interest loans to past and future effected issuances to reduce the over-all yield and bring such issuances within Code requirements.

Mr. Bacchus stated that finally, the Members were requested to authorize the Corporation to originate, from unrestricted reserves, three (3) senior construction loans, one (1) subordinate construction loan and one (1) permanent mortgage loan for the preservation and rehabilitation of five (5) housing developments. He said that these projects contain over 5,000 units of housing and are located in Brooklyn, Manhattan and the Bronx. He said that the initial reserve funded loans would be made in an amount not to exceed $102,000,000. He noted that this not-to-exceed amount had increased in aggregate by $1 million dollars from the board package that was mailed to the Members. He said that the Amalgamated Warbasse loan was expected to be slightly larger than the $15 million dollar amount originally anticipated. Mr. Bacchus stated that it was anticipated that the Corporation would be either wholly or partially reimbursed for the making of these loans with bond proceeds as part of a future 2012 or early 2013 Open Resolution issuance. He said that the bond financing of these projects would require further authorization by the Members at a later date.

Mr. Bacchus stated that the risks and fees associated with the 2012 Bonds were outlined in the Open Resolution Memorandum and that it was expected that the 2012 Bonds would be rated AA by Standard & Poor's Ratings Services and Aa2 by Moody's Investors Services, Inc.

He said that unless there were any questions, Richard M. Froehlich, Chief Operating Officer, Executive Vice President and General Counsel for the Corporation, would describe the Authorizing Resolutions.

Mr. Frankel asked for clarification on the $1 million increase to the amount of the Amalgamated Warbasse loan. Mr. Bacchus explained that the loan did not go up to $16 million, but that the Corporation was giving itself some not-to-exceed room. He said that basically, the Corporation was capitalizing some of the interest associated with the loan, which was pushing the amount up by close to two hundred fifty thousand dollars. Mr. Frankel asked why the Corporation had not thought about that a month ago and if something had happened to the project that's different. Mr. Bacchus responded that the Corporation has been in negotiation with the senior lender, and during the negotiation it was decided that the best way to structure the deal was to capitalize additional interest within the loan and that's how we got the slight bump.

Mr. Moerdler stated that he would like to disclose for the record that members of his firm, but not he, from time to time represent JPMorgan Chase, Citigroup, Goldman Sachs, Wells Fargo and The Richman Group, but pursuant to an opinion of the Conflicts of Interest Board, there is no conflict and he is not required to recuse himself. He then asked to what extent, if any, had local community boards been advised of these proposals. Mr. Jahr stated that he thinks it depends on the nature of the disposition taking place. He said that for instance, if it were a preservation loan where they were preserving an existing property and they did not have to go through any UDAP or ULURP proceeding, then presumably the board was not notified. He said that on the other hand, if it was the disposition of City owned land or vacant land that the City owned then it would go through the normal disposition processes associated with any parcel around the City that was being transferred to another entity. Mr. Moerdler stated that he would recommend, as he had on occasion in the past, that all these transactions be forwarded to the community boards for their information, although they don't require ULURP or related action. He said he thinks that community boards throughout the City of New York ought to know what's going on in their backyards and that this was one way of doing it. Mr. Jahr asked if Mr. Moerdler was suggesting that the Corporation do that on preservation deals as well, on existing multi-family rehabilitation projects. Mr. Moerdler replied yes. He said that it seems to him that if we have community boards and believe that they serve a useful purpose, they should get the optimum information possible to enable them to at least attempt to do their jobs. He said that if the Corporation could do that in the future it would be appreciated. He said that the notification should be for information purposes only, and labeled as such.

Mr. Moerdler then asked whether any of the developers, or all of them, had been checked against the records of HPD or the like to determine whether or not they themselves have other buildings in which they are viewed by HPD and the Department of Buildings as having significant violations. The Chairperson stated that all of the developers are required to go through a sponsor review process which has several components, including a review by DOI, and while no sponsor review process is foolproof, the existing sponsor review process is fairly rigorous. Mr. Moerdler asked if the Corporation could be reasonably comfortable in the knowledge that the individual developers and participants in these various development deals are not ones who, for want of a better word, have atrocious records in the perpetuation of violations of either the building code or the housing code. The Chairperson stated that any problems would usually be flagged by the sponsor review process and weeded out effectively. Mr. Jahr stated that the Corporation was not going to double down on bad bets. He said that if the Corporation discovers in the process of disclosure review that there are issues associated with a particular property or a particular developer, then we are going to sit down and have a conversation with that developer and find out perhaps what the reasons for it are and if we are not comfortable with the answers then we are either not going to proceed with the development, or we are going to figure out ways to mitigate the risks associated with it. Mr. Froehlich stated that there had been several instances where people have had other buildings in their portfolios which have been problematic where the Corporation required them to make improvements before moving forward with financing. Mr. Moerdler stated that that was exactly what he was looking for. He said that in his misbegotten youth he played cop on some of these buildings and some of the names were unfortunately familiar. He said that if the Corporation has taken a good hard look at them, then that was enough for him.

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

Upon a motion duly made by Mr. Frankel, and seconded by Mr. Moerdler, the members of the Finance Committee unanimously:

RESOLVED, (A) to approve the Authorizing Resolution that provides for (i) the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the 2012 Bonds, (ii) the distribution of a Preliminary and final Official Statement for the 2012 Bonds, (iii) the execution of bond purchase agreement(s) with the Underwriter(s) of the 2012 Bonds or a direct purchaser of any or all of the 2012 Bonds, (iv) the use of the Corporation's unrestricted reserves to fund costs of issuance, capitalized interest and mortgage reserves for 2012 Bonds, as may be required, (v) 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 2012 Bonds, (vi) the execution by the President or any Authorized Officer of the Corporation of any and all documents necessary to issue the 2012 Bonds and to make the mortgage loans relating to the 2012 Bonds, and (vii) to pledge any unencumbered assets of the Corporation, including, but not limited to, any mortgage loans made by the Corporation with respect to the developments financed by any series of bonds; (B) to approve the amendment to the Authorizing Resolution that provides for (i) the amendment to the Supplemental Resolution relating to the 2006 Series J-1 Bonds, (ii) the execution of the Remarketing Purchase Contract regarding the remarketing of the 2006 Series J-1 Bonds, (iii) the execution of the Mortgage Purchase Agreement with respect to the 2006 Series J-1 Bonds, and (iv) the execution of mortgage related documents and any other documents necessary to accomplish the remarketing of the 2006 Series J-1 Bonds; (C) to authorize the Corporation to pledge any unencumbered assets of the Corporation, including, but not limited to, any mortgage loans made by the Corporation with respect to the developments financed by a series of bonds; (D) to approve the origination of three (3) senior loans to three (3) Mitchell-Lama developments from the Corporation's unrestricted reserves, in an amount not to exceed $80,000,000 and the execution by an Authorized Officer of the Corporation of mortgage related documents and any other document necessary to accomplish such financing; (E) to approve the origination of a subordinate loan to Amalgamated Warbasse Houses, a Mitchell-Lama development, from the Corporation's unrestricted reserves, in an amount not to exceed $16,000,000 and the execution by an Authorized Officer of the Corporation of mortgage related documents and any other document necessary to accomplish such financing; (F) to approve the making of a loan to the Crotona V development in an amount not to exceed $6,000,000 to be funded in part by using the Corporation's unrestricted reserves and the execution by an Authorized Officer of the Corporation of mortgage related documents and any other document necessary to accomplish such financing; and (G) to approve the origination of subordinate loans for three (3) LAMP developments, and one (1) New HOP development from the Corporation's unrestricted reserves in an amount not to exceed $48,000,000 and subordinate loans for one LAMP development and two LAMP Preservation developments to be funded from the 421-a Affordable Housing Fund in an amount not to exceed $10,500,000.

The Chairperson stated that the next item on the agenda for consideration by the Members would be the approval of declaration of intent resolutions. He called upon Mr. Bacchus to advise the Members regarding these resolutions.

Mr. Bacchus stated that only four of the declaration of intent resolutions would be presented to the Members today. He said it was anticipated that the fifth declaration of intent resolution which was originally included in the packages to the Members would be brought for approval over the summer. Mr. Bacchus then reminded the Members that declaration of intent resolutions were solely for tax code purposes, allowing any expenditures incurred by a project's developer within 60 days prior of the date of the passage of the declaration of intent resolution to be eligible for tax exempt bond financing. He said that before HDC were to actually finance these projects, the specifics of the transactions would be presented to the Members for review and approval.

Mr. Bacchus referred the Members to the memorandum before them entitled "Resolution of Declaration of Intent, 281 West Street (Mixed-Income), New York, New York, Block 595/Lots 1 and 22" dated June 4, 2012 and the Declaration of Intent Resolution attached thereto, which is appended to these minutes and made a part hereof. Mr. Bacchus stated that the project would consist of the new construction of 106 units of rental housing, 84 of which would be financed by the Corporation utilizing approximately $100 million in tax exempt bonds located in the Tribeca section of Manhattan, to be developed by a single purpose entity to be created by the principals of The Related Companies.

Mr. Moerdler then disclosed for the record that members of his firm, but not he, represent The Related Companies from time to time; pursuant to the opinion of the Conflicts of Interest Board, the disclosure of this fact suffices and there is no need for him to recuse himself.

Upon a motion duly made by Mr. Moerdler, and seconded by Ms. Notice-Scott, the Members of the Finance Committee unanimously:

RESOLVED, to approve the Declaration of Intent Resolution for 281 West Street, New York, New York, Block 595, Lots 1 and 22.

Mr. Bacchus referred the Members to the memorandum before them entitled "Resolution of Declaration of Intent, 222 East 104th Street, New York, New York, Block 1652, Lot 50 (formerly Lot 1)" dated June 4, 2012 and the Declaration of Intent Resolution attached thereto, which is appended to these minutes and made a part hereof. Mr. Bacchus stated that the project would consist of the new construction of 89 units of rental housing utilizing approximately $15 million in tax exempt bonds located in the East Harlem section of Manhattan, to be developed by a single purpose entity to be created by the principals of the Jonathan Rose Companies.

Upon a motion duly made by Mr. Frankel, and seconded by Mr. Moerdler, the Members of the Finance Committee unanimously:

RESOLVED, to approve the Declaration of Intent Resolution for 222 East 104th Street, New York, New York, Block 1652, Lot 50 (formerly Lot 1).

Mr. Bacchus then referred the Members to the memorandum before them entitled "Resolution of Declaration of Intent, Metro East 99th Street, 1922 2nd Avenue, New York, New York, Block 1671, Lot 1" dated June 4, 2012 and the Declaration of Intent Resolution attached thereto, which is appended to these minutes and made a part hereof. Mr. Bacchus stated that the project would consist of the new construction of 176 units of rental housing utilizing approximately $33 million in tax exempt bonds located in the East Harlem section of Manhattan, to be developed by a single purpose entity to be created by the principals of SKA Marin.

Upon a motion duly made by Mr. Frankel, and seconded by Ms. Notice-Scott, the Members of the Finance Committee unanimously:

RESOLVED, to approve the Declaration of Intent Resolution for Metro East 99th Street, 1922 Second Avenue, New York, New York, Block 1671, Lot 1.

Mr. Bacchus referred the Members to the memorandum before them entitled "Resolution of Declaration of Intent, Tracey Towers, 40 West Mosholu Parkway South, Bronx, NY, Block 3251/Lots 455, 475, 490, 9401, and 9450" dated June 4, 2012 and the Declaration of Intent Resolution attached thereto, which is appended to these minutes and made a part hereof. Mr. Bacchus stated that the project would consist of the preservation and rehabilitation of 871 units of rental housing utilizing approximately $45 million in tax exempt bonds located in the Kingsbridge Heights section of the Bronx, to be developed by a single purpose entity to be created by the principals of the DeMatteis Organization.

Mr. Moerdler stated that he recalled from the distant past in his former capacity as Buildings Commissioner, that there were significant issues at this development, including a very serious concrete asphalt problem. Mr. Froehlich stated that the Corporation had taken a hard look at the development and that HDC was very conscious of the challenges there. Mr. Jahr stated that this was a development in need of significant renovations and if it did not receive help, then the arc of decline would continue. Mr. Moerdler stated that this project is one that provides a perfect example why he says sending it to the community board is important. Mr. Froehlich stated that it had been brought to several community events, including a public hearing, and notice of the public hearing was provided.

Upon a motion duly made by Mr. Frankel, and seconded by Ms. Notice-Scott, the Members of the Finance Committee unanimously:

RESOLVED, to approve the Declaration of Intent Resolution for Tracey Towers, 40 West Mosholu Parkway South, Bronx, New York, Block 3251, Lots 455, 475, 490, 9401, and 9450.

The Chairperson stated that at this time, he would like to close the meeting of the Finance Committee and call for a motion of the HDC board to ratify those items just approved by the Finance Committee.

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

June 11, 2012

ATTENDANCE LIST

Howard I. Berkman	Hawkins Delafield & Wood LLP
R. Gregory Henniger	" "
Michael Baumrin	RBC Capital Markets
Eileen Heitzler	Orrick, Herrington & Sutcliffe LLP
Matthew Tague	" "
Nick Fluehr	Wells Fargo
Julie Burger	" "
Marvin Markus	Goldman Sachs
John Germain	Barclays Capital, Inc.
Robin Ginsburg	Raymond James/Morgan Keegan
Thomas Tran	Stifel, Nicolaus & Company, Inc.
Annie Lee	JPMorgan
Kent Hiteshew	" "
Alice Yu	" "
Alan Jaffe	" "
Seema Mohanty	Mohanty Gargiulo LLC
Michael Koessel	Citibank, N.A.
Matt Tesseyman	" "
Matt Bissonette	" "
Joanne Lockridge	Avalon Bay Communities
Barbara Feldman	BOA Merrill Lynch
Amy Bartoletti	Ramirez & Co., Inc.
Geoff Proulx	Morgan Stanley
James McIntyre	" "
John Carter	Siebert Brandford Shank & Co., LLC
Ansel Caine	Caine Mitter & Associates Inc.
Kimberly Hancy	Ernst & Young
Marc Jahr	New York City Housing Development Corporation
Richard M. Froehlich	" "
Joan Tally	" "
Simon A. Bacchus	" "
Diane J. Pugacz	" "
Melissa Barkan	" "
Ellen K. Duffy	" "
Jonah M. Lee	" "
Pellegrino Mariconda	" "
Claudine Brown	" "
Kristen Smith	" "

Moira Skeados	"	"
Jeffrey Stone	"	"
Terry Gigliello	"	"
Mary Hom	"	"
David Knapke	"	"
Bharat Shah	"	"
Cathy Baumann	"	"
Urmas Naeris	"	"
Mary John	"	"
Cheuk Yu	"	"
Shirley Jarvis	"	"
Kerry Yip	"	"
Marcus Randolph	"	"
Liz Oakley	"	"
Catherine Townsend	"	"
Hammad Graham	"	"
Stephen Pantalone	"	"
Sherin Bennett	"	"
Jaclyn Moynahan	"	"
Mary McConnell	"	"
Tom James	"	"
Michael Liptrot	"	"
Luke Schray	"	"
Uyen Luu	"	"
Norman Garcia	"	"
Tinru Lin	"	"
Catie Marshall	"	"