

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

August 8, 2012

The meeting of the Members of the New York City Housing Development Corporation (the "Corporation" or "HDC") was held on Wednesday, August 8, 2012 at the offices of the Corporation, 110 William Street, 10th Floor, New York, New York 10038. The meeting was called to order at 3:06 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., Mark Page, David M. Frankel and Denise Notice-Scott. The Member absent was Charles G. Moerdler. A list of observers is appended to these minutes.

The Chairperson called for the approval of the minutes of the meeting held on June 11, 2012.

Upon a motion duly made by Mr. Frankel, and seconded by Mr. Page, 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 the Members reviewed the investment, debt and credit reports, and that there was nothing out of the ordinary to report.

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 hoped all were surviving the summer's sweltering heat, and either have had a refreshing summer vacation or were anticipating their vacation to come.

Mr. Jahr stated that June had long since passed and, remarkably enough, September was now looming on the horizon. He said that entering June, the Corporation asked the State for a substantial amount of volume cap prior to the point we normally seek it, and they generously accommodated our request, providing us with approximately \$102MM in cap, which supplemented the \$178MM the City's IDA allocated to us. He said that as we anticipated, these allocations allowed us to close 13 deals, comprised of 5,386 units. He said that HDC provided approximately \$30.5MM in subsidy to these deals, while HPD provided approximately \$41.6MM in subsidy. Mr. Jahr stated that the June closings helped bring HPD's fiscal year 2013 closings to 16,502 apartments, similar to the agency's production prior to the 2008-09 financial collapse, and noted that the New Housing Marketplace Plan was now 85% complete, with over 140,000 units preserved or created since 2003.

Mr. Jahr stated that if we had our druthers, we would have delayed this meeting until September; however, we have two developments on the agenda which require the Members' immediate attention. He said that in particular, we would seek the Members' approval of a \$15MM top loss guaranty for the FHA refinancing of "Coop City" in The Bronx, and we would also seek the Members' approval of an \$110MM loan that would allow for the refinancing and rehabilitation of a badly deteriorated 1,093 unit Mitchell Lama development—"Ocean Village"—in The Rockaways in Queens. He said that these developments would be presented for the Members' consideration after his remarks, so he would try to limit his comments on them.

Mr. Jahr stated that most, if not all, of the Members were familiar with Coop City. He said that when you drive north, on your way to leaving the City—an unimaginable thought, but on occasion it must be done—you'll see the massive 15,372 unit Mitchell Lama cooperative known as Coop City. He said that when construction began on the development, a groundbreaking was held on a Saturday morning, on May 14, 1966 to be precise. And, he said, at that time, Robert Moses spoke, opening by saying that "I have no oratory to lift you to the empyrean, and no flattering unction to lay to your souls. I rise to congratulate the best, the least pretentious, and the most encouraging of all our builders for tenants of modest means..." And he closed by likening Coop City to developments of the British Cooperative Wholesale Society which had "given the world the finest examples of sound economics, enlightened citizenship and self reliance." He said that seven years later, Coop City was complete and soon thereafter, Robert Caro in "The Power Broker" attributed the collapse of the South Bronx to its construction. Mr. Jahr stated that now, roughly four decades later, because of the City's intervention, the South Bronx has been virtually rebuilt, and we seek the Members' approval of a Federal, State, and City partnership designed to put Coop City on arguably the most stable financial and physical footings it has ever been on and preserve its affordability for what we hope will be the next 35 years. He said that he would leave it to Richard M. Froehlich, Chief Operating Officer, Executive Vice President and General Counsel for the Corporation, to describe the terms of this deal.

Mr. Jahr stated that if Coop City was on the City's northern periphery, the second financing the Corporation would seek approval of is a loan to Ocean Village, located on the City's eastern edge, facing the Atlantic Ocean. He said that construction of Ocean Village was completed in 1974, approximately one year after the completion of Coop City. He said that similar to Coop City, it was a project of great scale which also had significant construction problems. But even more so than Coop City, he said, located in Far Rockaway it was truly isolated from the City's economic core. He said that it's a great subway ride on the "A" train, across Jamaica Bay to the beaches and what used to be Far Rockaway's bungalow communities, but it's also a very, very long subway ride, particularly when you're commuting to and from work. Mr. Jahr stated that for the last three decades, through several real estate and economic cycles, the City has attempted to revive The Rockaways, and in particular its Arverne community. He said that the City's commitment to the Arverne Urban Renewal Area has been nearly \$100MM. He said that when the development is completed the area will contain 3,600 new units in mid-rise condo buildings and two-and three-family homes. He said that approximately 640,000 square feet of commercial space and three retail transit plazas for the MTA "A" train will have been completed; a 30,000 square foot "Y" will have been constructed

as well as an approximately 800 seat community school; and the environmentally sensitive beach front will have been protected in the face of all this growth. He said that it will be a remarkable redevelopment effort beyond the horizon, hidden from the view of most New Yorkers.

Mr. Jahr stated that also hidden from view, and perhaps overlooked even by the urban planners who have shaped this effort, was HDC's and HPD's efforts to financially and physically stabilize The Far Rockaways' Mitchell Lama and other high-rise developments. He said that this effort was crucial if the public and private investments in The Rockaways are to be durable, because if Ocean Village were to be allowed to follow its current arc, what once was a development designed to strengthen the community with its new construction and tenancy of working New Yorkers will become a toxic influence undermining home values and confidence in the neighborhood's future, while condemning its increasingly elderly tenancy to miserable conditions. So, Mr. Jahr stated, the proposed Ocean Village loan, which Elizabeth Oakley will present to the Members, should be looked at in the context of HDC's broader financing efforts in The Rockaways, which include the preservation of the 1,758 unit Mitchell Lama "Dayton Towers", the 462 unit "Seaview Towers", another Mitchell Lama, and the 365 and 328 unit "Gateway Apartments" and "Oceanview" developments, respectively. He said that adding in the new construction of the 72 unit mixed-income "Beach 96th Street" development, HDC's total financing activities in The Rockaways, not including the proposed action, amount to over \$177MM, helping to buttress the City's investments in Arverne and ensure that they aren't undermined by the decay of these large complexes on the far periphery of the City.

Mr. Jahr stated that he'd like to make a couple of final comments before closing his remarks. He said that in the first instance, an update: at the last Board meeting, he mentioned the launch of HDC's automated on-line lottery system. He said that at the time, 1,832 households had registered at the site, and 323 applications had been filed for a development in Queens, while 483 applications had been submitted for an East Harlem development. He said that the numbers now stand at 36,282 registered households; 13,059 applications for the Queens development and 16,001 applications for the East Harlem development. He said that the window for applications for the two developments closed this past Monday night. He said that now the Corporation would have to step back and make some improvements to the site itself, and prepare to reopen it some time in September. He said that by any measure, it was proving to be an enormous success, allowing New Yorkers to more easily apply for affordable apartments, and developers and HPD and HDC to more efficiently process applications. He said that going forward, it can only get better.

Finally, Mr. Jahr stated, fair warning: HDC's pipeline is overflowing with deals. He said that consequently, the Corporation expects to convene another meeting in September and, of course, one in the late fall or December. He said that among the deals the Corporation anticipates seeking the Members' approval of will be Hunters Point South, a mixed-income, mixed-use, approximately 925 unit development in Long Island City; the 349 unit Tower Two at Atlantic Yards, which HDC recently TEFRAed; East 99th Street, aka Goldwater Hospital, the key to moving ahead with the construction of the Applied Engineering campus on Roosevelt Island; as well as another 15 or so developments. He said that it promises to be a busy fall and he looks forward to the Members' continuing support for the Corporation's efforts. 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 this was a stellar year, noting that in the aggregate between HPD and HDC we were able to close on 16,500 units, which was 2,000 units over our annual target, and thanked HDC's entire team for a great job. He noted, in particular, the significance of the closing of Amalgamated Warbasse Houses, a 2,500 unit Mitchell Lama preservation project, as a contributing factor to exceeding our unit goals.

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 an HDC second-position top-loss guaranty to HUD Co-op City refinancing. He called upon Mr. Froehlich to advise the Members regarding this transaction.

Mr. Froehlich referred the Members to the memorandum before them entitled "HDC Second-Position Top-Loss Guaranty to HUD Co-op City Refinancing" dated August 1, 2012 (the Co-op City Refinancing Memorandum). Mr. Froehlich stated that he was pleased to recommend that the Members approve the issuance by the Corporation of a second-position top-loss payment guaranty to the U.S. Department of Housing and Urban Development ("HUD") in an amount not to exceed \$15,000,000 (the "Guaranty"). He said that the Guaranty would help preserve the affordability of 15,372 units of housing for an additional 35 years at Co-op City in the Bronx—the largest affordable cooperative housing community in the country. He said that HUD would be insuring a proposed \$625,000,000 loan made by Wells Fargo Bank, N.A. to Riverbay Corporation which is a Mitchell Lama and owner of Co-op City.

Mr. Froehlich stated that the Loan would be secured by a first mortgage on the Co-op City property. He said that the HUD-insured Loan would refinance the existing \$555 million loan held by the New York Community Bank ("NYCB"). He said that interest payments would be reduced by anywhere between \$9 million and \$16 million dollars annually from the current loan, depending on the year chosen and the final interest rate on the proposed Loan (which is estimated to be between 2.5 - 3%). He said that furthermore, the NYCB loan increases in rate up to 6.5% and had a nearly \$400 million dollar balloon payment due in 2026 while the HUD-insured Loan would self-amortize over its 35 year term. He said that the lower cost loan would facilitate efforts to maintain Co-op City's affordability for low and moderate income New Yorkers.

Mr. Froehlich stated that the New York State HCR was the supervising agency for Co-op City under Article II of the Private Housing Finance Law. He said that the project may not leave Article II before the FHA loan is paid off. He said that HCR would remain responsible for monitoring the project under the proposed loan, including periodically setting rents and exercising other responsibilities stemming from the Mitchell-Lama program. Mr. Froehlich stated that although the FHA loan could be prepaid with HUD approval after 5 years and subject to yield maintenance, the Corporation's staff believes that the attractive financing terms and

other advantages of staying in the Mitchell Lama program would mean that the cooperators at Coop City would stay in Mitchell Lama. He said that a vote of 2/3 of all shareholders was required in order to leave the Mitchell Lama program. Mr. Froehlich stated that the project had undergone over \$300 million in repairs over the last 7 years. He said that as a result of these repairs, both 3rd party reports consider the project to be in good-to-fair condition and state that relatively few repairs are needed.

Mr. Froehlich stated that SONYMA would provide top-loss insurance in the amount of \$55,000,000. He said that the top-loss guarantees provided by the Corporation and SONYMA are essential to HUD's participation in this deal, not only because the guarantees defray some of the risk associated with insuring this loan, but primarily because it assures HUD that the City and State of New York will be partners with the Federal government going forward in maintaining the physical and financial health of the project. Mr. Froehlich stated that in the event of a default on the mortgage, Wells Fargo would assign the Loan to HUD, and HUD would pay Wells Fargo's claim for the amount then due on the Loan. He said that simultaneous with any assignment of the Loan to HUD, SONYMA and HDC would pay their respective portions of the top-loss to HUD. He said that proceeds realized by HUD in excess of the outstanding loan may be paid back to HDC and SONYMA in the top loss order: \$20,000,000 first loss by SONYMA, \$15,000,000 second loss by HDC and \$35,000,000 third loss by SONYMA. Mr. Froehlich stated that the Corporation's Guaranty would run directly to HUD, and HDC would set aside financial reserves in the full amount of the Guaranty and invest such reserves pursuant to the Corporation's investment guidelines. He said that HDC would maintain such reserves until the Guaranty had been called upon or terminated. He said that Co-Op City would pay HDC a 50 basis point up-front fee (\$75,000) plus a 50 basis point annual fee on the amount of the outstanding Guaranty.

Mr. Froehlich stated that this was the second time that the Corporation had been called upon to provide a top-loss guaranty to HUD. He said that the first time relates to the Corporation's issuance of bonds backed by FHA insured mortgages on approximately 80 Mitchell-Lama developments in 1977-78. He said that the Corporation still maintains the Claim Payment Fund (the "Fund"), a reserve account established to cover the top 5% potential loss on the remaining 16 projects, with an outstanding bond balance of approximately \$30 million. He said that the Fund was set up in a similar manner to the Guaranty described herein, and the Corporation reserved a set amount of capital to be called upon in case of a default of any of the underlying loans. He noted that in its 34-year history no claim had ever been made on the Fund.

Mr. Froehlich stated that the primary risk associated with the Guaranty stems from the possibility that Co-op City might default on the Loan. He said that the Corporation's staff believes that a default is unlikely, primarily due to the oversight of the project by HCR. He said that the regulatory structure for Mitchell Lama projects makes it less likely that the mortgagee holding a mortgage on a housing company formed under Article II would seek to foreclose such mortgage. Mr. Froehlich stated that lastly, in a worst-case scenario, the appraisal found that the value of the underlying property, if unencumbered by Article II restrictions or any financing restrictions, would be \$3,317,000,000. He noted that the other risks were described in the Co-op City Refinancing Memorandum.

Mr. Frankel stated that he intends to vote for this item, but as the Chairperson and Mr. Jahr both knew, he had a bunch of questions over the last couple of days. He stated that if the goal is to protect affordable housing then this is the time to do it with respect to this particular loan. Under the terms of this agreement, he said, after five years he gathers that the tenants could conceivably get together and buy out of this mortgage loan and all the restrictions that come with it. He said his view was that we should go back and ask for a guaranty, such as with an initial Mitchell Lama mortgage, that they will stay in the program for twenty years, and that's what we should seek in this case. He said that although right now it appears unlikely that two-thirds of the tenants will band together and seek to exit the program, we would be reluctant to be involved in providing this low income financing if we knew that five or six years from now, after the project is fixed up, the tenants would buy out and make ten or twenty or thirty times the investment for themselves—that's not something we would be in favor of. So, he stated, with the proviso that we will go back and seek a longer tie-up period, he will vote in favor of this item.

The Chairperson stated that Mr. Frankel made excellent points. He said that usually, projects would have a Regulatory Agreement imposing a restriction period; however this was a different case. He said that HUD came to us and said that they would refinance the loan if HDC and SONYMA would partner with them. He said that given that it is a HUD Section 223 project we would agree to accept the HUD Section 223 program parameters which include the obligation for the project to remain affordable for so long as the financing is in place. He said additionally, there is a 10-year prepayment penalty. He stated that due to the low interest rate it was unlikely that the project would be able to refinance such a large loan with more favorable terms and unlikely that they would get a lower rate. The Chairperson stated that HDC would go back to its partners to see if there was an openness to put on a Regulatory Agreement.

Mr. Frankel stated that he wants some assurance that they are not just seeking money to make repairs with the intention of selling the project and getting out of the program afterwards.

Mr. Jahr stated that HDC would go back to them on this. He said that he is not that concerned about a buy-out in the near term, since HUD would have to approve a buy-out and there are yield maintenance penalties. He said that most importantly, to some extent, a deterrent is that on the one hand, they have a superb rate, and on the other hand, the fact that sixty percent of the population is elderly and has no incentive, he thinks, to buy out -- they want stability, which is what this loan gets them. However, Mr. Jahr stated, he agrees that 15 years hence we don't know what will happen. He stated that HDC would go back and raise the issue.

The Chairperson stated that Mr. Frankel was, in essence, articulating our policy line, which is to not put money into a project unless there is affordability.

Mr. Froehlich then described the action that the Members were requested to approve.

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

RESOLVED, to approve the HDC Guaranty to HUD in an amount not to exceed \$15,000,000 and the execution by the President or any authorized officer of the Corporation of any and all documents necessary to issue such Guaranty.

The Chairperson stated that the next item on the agenda would be the Approval of a loan for Ocean Village and Declaration of Intent. He called upon Elizabeth Oakley, Assistant Vice President for Development for the Corporation, to advise the Member regarding this transaction.

Mr. Oakley referred the Members to the memorandum before them entitled "Approval of a Loan for Ocean Village and Declaration of Intent" dated August 1, 2012 (the "Ocean Village Memorandum"). Ms. Oakley stated that she was pleased to recommend for the Members' approval, the origination from unrestricted reserves of a construction loan in an amount not to exceed \$110,000,000, as well as an official Declaration of Intent in a like amount. Ms. Oakley stated that the proceeds of the loan would be used by the Mortgagor to fund the acquisition, rehabilitation and preservation of Ocean Village, a 1,093 unit Mitchell-Lama development located in Arverne, Queens. She said that the development would be financed pursuant to the Corporation's Mitchell Lama Restructuring Program and would remain affordable to tenants earning up to 60% and 80% of Area Median Income for up to 35 years. Ms. Oakley stated that the Mortgagor would be comprised of Arverne Preservation LLC, a New York State Limited Partnership controlled by L&M Development Partners, whose principals are Ronald Moelis and Sandy Lowenthal, as well as HP Arverne Preservation Housing Company Inc., an entity solely controlled by the Housing Partnership Development Corporation. She said that L&M Builders Group would be the General Contractor and C&C Management, the management arm of L&M, was expected to become the managing agent.

Ms. Oakley stated that built between 1972 and 1974, Ocean Village was originally financed by the New York State Urban Development Corporation, now known as the Empire State Development Corporation or "ESD", with a Section 236 assisted, non-insured mortgage. She said that the development was now nearly forty years old and had experienced financial difficulties since early in its operations. She said that the rehabilitation scope would address significant deferred repair needs, totaling approximately \$55 million. Ms. Oakley stated that the financing was expected to be structured in two phases with approximately \$43,000,000 of the Corporation's loan funded during Phase 1 and the balance to be funded during Phase 2. She said that the Members were being requested to authorize the full loan amount up to \$110,000,000 to allow the Corporation to allocate recycled bond proceeds to the Development within the time constraints associated with recycled bonds. She said that the loan would initially be funded with the Corporation's unrestricted reserves, with the expectation that it would eventually be funded with a combination of taxable and tax-exempt bond financing as part of one or more future Open Resolution issuances. She said that the bond financing of the development would require further authorization by the Members at a later date.

Ms. Oakley stated that the Corporation expects to close on Phase I financing later this month, a portion of which is expected to finance the Development's most pressing physical needs including immediate roof and façade repairs and rehabilitation of approximately 315 vacant units, which include approximately 90 units that are un-rentable due to serious health and safety issues caused largely by water infiltration and mold growth. Ms. Oakley stated that the

purpose of the phased financing structure was to rehabilitate the vacant units so that they could meet HUD Housing Quality Standard inspections and may be rented up as a pre-cursor to Phase 2. She said that an additional portion of the Corporation's loan was expected to be used to pay down a portion of ESD's loan, with \$16,000,000 due in Phase I and \$10,000,000 due in Phase II. She said that the Corporation expects to acquire a 100% participation in the remaining balance of the ESD loan. Ms. Oakley stated that as a project assisted under Section 236 of the National Housing Act, Ocean Village receives monthly Interest Reduction Payments or "IRP" subsidies from HUD. She said that the IRP contract would be assigned to HDC in Phase I in order to support a portion of the Corporation's loan, estimated at \$30,000,000.

Ms. Oakley stated that the Corporation expects to close on Phase 2 financing in the fall of 2013 in conjunction with a Section 236 decoupling and an expected rent increase, at which point the balance of the Corporation's loan not yet advanced would be made available for completion of the rehabilitation scope as further described in the Ocean Village Memorandum. She said that it was expected that in conjunction with the decoupling, Enhanced Section 8 Vouchers would be made available to all tenants with incomes up to 95% of AMI and residing in units that pass HQS inspections, thereby limiting those tenants' rent payments to 30% of their income. She said that approximately 98% of tenants were expected to be eligible based on recent income information. Ms. Oakley stated that prior to permanent conversion, the Corporation expects to secure FHA mortgage insurance for 90% of the non-IRP supported portion of the permanent loan pursuant to HUD's HFA Risk Share Program to limit the Corporation's risk exposure to only 10% or approximately \$7 million. She said that a more detailed description of risks and mitigation was outlined in the Ocean Village Memorandum.

Mr. Frankel asked what the lock-out period was. Mr. Froehlich said 30 years, plus they would have to pay off \$120,000,000 for the mortgage loans. The Chairperson stated that this was a gratifying deal in that the project is in abysmal shape and in need of repairs. Ms. Notice-Scott asked if the existing tenants will remain. Mr. Froehlich responded yes. He said quite a few were on advantage and will be getting vouchers instead, which is a great thing considering the challenges that those tenants were facing.

Ms. Oakley then described the actions the Members were requested to approve.

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

RESOLVED, to approve (i) the making of a construction loan in an aggregate amount not to exceed \$110,000,000 from the Corporation's unrestricted reserves to finance the rehabilitation and preservation of Ocean Village, a 1,093 unit Mitchell-Lama development pursuant to the ML Restructuring Program and the ML Repair Loan Program, (ii) the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish the financing, and (iii) the execution of a participation agreement with the Empire State Development Corporation relating to purchasing a participation interest in the development's existing mortgage loan debt and any other documents necessary to accomplish the acquisition.

Ms. Oakley then stated that the Members were being requested to approve an official declaration of intent of the Corporation for a principal amount not to exceed \$110,000,000 for the Ocean Village Development, all or a portion of which may be issued on a tax exempt basis at a later date. She said that as the Members are aware, the declaration of intent is solely for tax code purposes to enable certain expenditures incurred by a project's developer within 60 days prior to the date of the passage of the declaration of intent to be eligible for tax exempt bond financing. She added that the Corporation's agreement to issue bonds may only be expressed in a bond purchase agreement, which requires further authorization by the Members.

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

RESOLVED, to approve an official declaration of intent of the Corporation for Ocean Village development for a principal amount not to exceed \$110,000,000 for purposes of the Internal Revenue Code and otherwise.

The Chairperson stated that the next item of business would be the approval of declaration of intent resolutions. He called upon Simon A. Bacchus, Senior Vice President of Development for the Corporation, to advise the Members regarding these resolutions.

Mr. Bacchus 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 to the date of 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 then referred the Members to the memorandum before them entitled "Resolution of Declaration of Intent, Capital Hall, 166 West 87th Street, New York, NY, Block 1217; Lot 57" dated August 1, 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 201 units of rental housing utilizing approximately \$26 million in tax exempt bonds located on the Upper West Side of Manhattan to be developed by a single purpose entity to be created by the principals of Goddard Riverside Community Center.

Mr. Page stated that he would recuse himself from voting on this item.

Upon a motion duly made by Mr. Gould, and seconded by Mr. Ciampa, and with Mr. Page abstaining, the members of the Finance Committee :

RESOLVED, to approve the Declaration of Intent Resolution for Capital Hall, 166 West 87th Street, New York, New York, Block 1217, Lot 57.

Mr. Bacchus then referred the Members to the memorandum before them entitled "Resolution of Declaration of Intent, Utica Place, 250 Utica Avenue, Brooklyn, NY, Block 1384; Lot 51" dated August 1, 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 87 units of rental housing utilizing approximately \$14 million in tax exempt bonds located in the Crown Heights section of Brooklyn to be developed by a single purpose entity to be created by the principals of the L&M Development Partners.

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

RESOLVED, to approve the Declaration of Intent Resolution for Utica Place, 250 Utica Avenue, Brooklyn, New York, Block 1384, Lot 51.

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.

Upon a motion duly made by Mr. Gould, and seconded by Mr. Ciampa, and with Mr. Page abstaining from voting on the Capital Hall Declaration of Intent Resolution, the Members:

RESOLVED, to ratify and adopt each of the preceding approvals of the Finance Committee.

The Chairperson stated that the next item on the agenda would be the Approval of Cathleen Baumann as Senior Vice President for the Corporation. He called upon Mr. Jahr to advise the Members on this item.

Mr. Jahr then referred the Members to the memorandum before them entitled "Appointment of Cathleen Baumann as Senior Vice President" dated August 1, 2012, which is appended to these minutes and made a part hereof. Mr. Jahr stated that unfortunately, because of a family emergency, Ms Baumann was unable to attend the meeting; however, he was pleased to recommend that the Members approve the appointment of Cathleen Baumann as Senior Vice President for the Corporation. He said that Ms. Baumann had worked for the Corporation since 1988 when she was initially hired as an Accountant. He said that since that time, in recognition of her qualifications and performance she has been successively promoted to the positions of Senior Accountant and Internal Auditor and Vice President of Internal Audit. He added that in 2004, she was promoted to the position of Deputy Chief Financial Officer and was promoted to the position of Treasurer in July 2009. He noted that Ms. Baumann had received her bachelor's degree with majors in Accounting and Economics from Queens College of the City University of New York and her MBA in Finance from Baruch College's Zicklin School of Business of the City University of New York. Mr. Jahr stated that Ms. Baumann's appointment would be effective immediately and there would be no change to her salary or annual leave eligibility.

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

RESOLVED, to appoint Cathleen Baumann as Senior Vice President for the Corporation.

At 3.41 p.m., there being no further business, upon a motion by Mr. Frankel, and seconded by Mr. Page, the meeting was adjourned.

Sincerely,

Diane J. Pugacz
Assistant Secretary

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

August 8, 2012

ATTENDANCE LIST

Howard I. Berkman	Hawkins Delafield & Wood LLP
Eileen Heitzler	Orrick, Herrington & Sutcliffe LLP
Marvin Markus	Goldman Sachs
Robin Ginsburg	Raymond James/Morgan Keegan
Kent Hiteshew	JPMorgan
Doug Auslander	Citibank, N.A.
Damian Busch	“ ”
Amy Bartoletti	Ramirez & Co., Inc.
Shirley Murillo	“ ”
Geoff Proulx	Morgan Stanley
James McIntyre	“ ”
Bernard Beal	M.R. Beal & Company
Alexis Sewell	NYC Department of Housing Preservation and Development
Marc Jahr	New York City Housing Development Corporation
Richard M. Froehlich	“ ”
Joan Tally	“ ”
Simon A. Bacchus	“ ”
Diane J. Pugacz	“ ”
Melissa Barkan	“ ”
Ted Piekarski	“ ”
Moira Skeados	“ ”
Mary John	“ ”
Terry Gigliello	“ ”
Kristen Smith	“ ”
Mary Hom	“ ”
David Knapke	“ ”
Bharat Shah	“ ”
Cheuk Yu	“ ”
Shirley Jarvis	“ ”
Kerry Yip	“ ”
Marcus Randolph	“ ”
Liz Oakley	“ ”
Catherine Townsend	“ ”
Sherin Bennett	“ ”
Mary McConnell	“ ”

Steve Mondelli	“	”
Uyen Luu	“	”
Tinru Lin	“	”
Tito Escobar	“	”
Ruth Moreira	“	”
Ana Capobianco	“	”
Ting Qiu	“	”
Vidhee Garg	“	”
Zenaida Bhuiyan	“	”