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

November 30, 2021

The annual meeting of the Members of the New York City Housing Development Corporation (the "Corporation" or "HDC") was held on Tuesday, November 30, 2021, via teleconference. The meeting was called to order at 2:03 p.m. by the Chairperson, Louise Carroll, who noted the presence of a quorum. The Members present were Harry E. Gould, Jr., Kyle Kimball, Charles G. Moerdler, Jacques Jiha, Denise Scott and Sherif Soliman. A list of observers is appended to these minutes.

The Chairperson stated that the first item on the agenda would be the approval of the minutes of the meeting held on October 5, 2021.

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

RESOLVED, to approve the minutes of such meeting.

The Chairperson stated that the next item on the agenda would be the President's report and called upon Eric Enderlin, President of the Corporation to make his presentation.

Mr. Enderlin thanked the Chairperson and the Members in attendance. He said that before we delve into the agenda, he wanted to take a moment to acknowledge that this was the last HDC Board meeting under the Mayor de Blasio Administration. He said that the last eight years had been incredibly busy and a time of growth for HDC as we scaled up our work to meet the City's commitment to create and preserve a record amount of affordable homes under the Housing New York plan. He said that we were incredibly proud to have contributed to financing more than 78,000 affordable homes since 2014. He said that we were also happy to have been such a large part of the policy conversation as the plan was created and further adjusted to meet the City's most pressing housing needs, including reaching deeper levels of affordability.

Mr. Enderlin stated that he was very excited to share an upcoming opportunity for furthering the Corporation's partnership with HPD through the creation of an MBE Developer Guaranty Program. He said that under the leadership of Commissioner Carroll, we have been working on and intend to soon formalize a program that would address a specific issue that has been identified by our partners for years as an obstacle to accessing the City's affordable housing programs – the lack of access to guaranty funds among minority-owned developers. He said that the City would soon announce the Fund and partnership between HPD and HDC. He added that in the coming months, HDC would be working with HPD on an MOU outlining HDC's role in this program and drafting program documents with more details on how we can support MBE developers in this way. He said that once the details were worked out, we would come back to the Board for formal approval. He said that today, as we celebrate accomplishments under current leadership, he wanted to share an update on this program that would allow more minority-owned affordable housing developers to partner with the City to create and preserve safe, quality affordable homes for New Yorkers.

Mr. Enderlin stated that he wanted to thank the Chairperson for her thoughtful leadership and outstanding partnership over the years. He thanked her for always ensuring that HPD and HDC were always pulling in the same direction.

Additionally, Mr. Enderlin said that HDC expanded its mission to support the City’s commitment to preserve the housing stock provided by NYCHA through the PACT program. He said that within the next few months, including with the authority Members would be asked to approve today, HDC would have contributed to financing comprehensive renovations and repairs for nearly 11,000 homes for NYCHA residents.

Mr. Enderlin stated that today’s agenda was, in many ways, a perfect culmination of all of this work. He said that Members would hear how we were efficiently using federal resources that we successfully advocated for in recent years, including the Federal Financing Bank (FFB) and Risk-Share program that was recently reinstated. He further stated that between the last board meeting and this board meeting, we were seeking authorization to use 1.25 billion dollars in renewed FFB funding. He stated that the 4% Low Income Housing Tax Credits generated by Private Activity Tax-Exempt Bonds now add more value since the permanent minimum rate was recently secured. He said that HDC had an incredible track record of successful advocacy partnered with a pragmatic approach to use these resources at scale. Mr. Enderlin said that we were continuing to push for the inclusion of additional resources for affordable housing in the Build Back Better legislation now being considered by the Senate. He said that HDC was ready to deploy additional bond cap and put it to good use.

Mr. Enderlin stated that the Corporation’s work was also bolstered by a strong partnership with the State. He said that we were very pleased and thankful to receive a strong allocation of bond cap to help meet our robust pipeline this year including the larger than usual allocation at the end of this year. Additionally, he said that the State was working closely with HDC on the use of recycled bonds, to ensure we are all using this valuable resource as efficiently and effectively as possible.

Mr. Enderlin said that we had a very full agenda today. He said that after a report from the Audit Committee, Members would hear from Molly Anderson, Senior Project Manager for Development and Leroi Jiles, Vice President – Preservation/PACT Development about financing for two large deals under the NYCHA PACT program.

Mr. Enderlin stated that following those presentations, Members would hear from Ruth Moreira, our Executive Vice President for Development and currently acting First EVP for HDC. He said that Ms. Moreira would seek Members’ approval for the authorizing resolution for financing a variety of affordable developments throughout the City. He said our Executive Vice President and Treasurer, Cathleen Baumann, would finally seek the Members’ approval for HDC’s FY2022 Operating Budget and Property Disposition Report.

Mr. Enderlin acknowledged there was a lot to cover, so without further delay, he turned it back over to the Chairperson.

The Chairperson thanked President Enderlin and said that HDC and HPD have done so much in this administration that it would take this entire meeting to talk about it. She stated that we were at over 197,000 units of affordable housing thanks to this great partnership, this amazing Board, and all of the staff at HDC and HPD. She shared that it was an absolute honor for her to work in various roles at both HPD and HDC as it was an amazing time of absolute creativity and success. She also thanked her colleagues on the City side, the DOF Commissioner and Budget Director of OMB, for working together to get this plan done. She thanked the Members of the Board for welcoming her first as General Counsel of HDC and then as Chairperson. She said it was wonderful to work with such clever and intelligent board members and she thanked the HDC staff.

The Chairperson stated that the next item on the agenda would be the Report of the Audit Committee and called upon Mr. Gould to make this presentation.

Mr. Gould stated that the Audit Committee met prior to this meeting at which time the Members reviewed investment, debt, credit and internal audit reports. He said that the Members also reviewed and approved the Fiscal Year 2022 Internal Audit Schedule, the revised bond reserve policy and HDC's Purchasing Guidelines.

The Chairperson stated that the next item on the agenda would be the Approval of an Authorizing Resolution related to Housing Impact Bonds, 2021 Series A for the NYCHA PACT Harlem River Developments and Approval of Mortgage Loans and called upon Molly Anderson to advise the Members regarding this item.

Ms. Anderson referred the Members to the blacklined version of the memorandum before them entitled "Housing Impact Bonds, 2021 Series A for the NYCHA PACT Harlem River Developments and Approval of Mortgage Loans" dated November 23, 2021 (the "NYCHA PACT Harlem River Memorandum") and the attachments thereto including, (i) Resolution Authorizing Adoption of the Fifth Supplemental Resolution Authorizing the Issuance of Housing Impact Bonds, 2021 Series A and Certain Other Matters in Connection Therewith (the "Authorizing Resolution"), (ii) the Fifth Supplemental Resolution Authorizing the Issuance of Housing Impact Bonds, 2021 Series A (the "Supplemental Resolution"), (iii) the Preliminary Official Statement, and (iv) the Bond Purchase Agreement, all of which are appended to these minutes and made a part hereof.

Ms. Anderson thanked the Chairperson and stated she was pleased to recommend that the Members approve the issuance of the Corporation's Housing Impact Bonds and the origination of two permanent loans in an amount not to exceed $113,415,500 and that the Members approve the origination of a permanent Senior Un-Enhanced Non-accelerating or "SUN" Loan in an amount not to exceed $38,945,000 to finance the acquisition, rehabilitation, and permanent financing of two NYCHA developments collectively known as Harlem River.

Ms. Anderson said that the Harlem River was part of the "Permanent Affordability Commitment Together," or "PACT" strategy outlined in the 2018 NYCHA 2.0 strategic plan, which describes how the City would reinvest and reposition public housing through Section 8 conversions. She said that subject to HUD and Freddie Mac approval, the Housing Impact Bond proceeds were expected to fund two mortgage loans not to exceed $113,415,500. She said that the Mortgage Loans would be comprised of the "Freddie Mac Enhanced Mortgage Loan", representing 90% of the total Mortgage Loans, and the "HDC Enhanced Mortgage Loan", representing 10% of the total Mortgage Loans.

Ms. Anderson stated that the Freddie Mac Enhanced Mortgage was expected to be secured by supplemental security in the form of a standby credit enhancement agreement issued by Freddie Mac. She said that the HDC Enhanced Mortgage Loan would be subordinate to the Freddie Mac Enhanced Mortgage. She said that it was expected to be secured by supplemental security in the form of an HDC Loan Funding Agreement to be provided by the Corporation that would be a general obligation of the Corporation.

Ms. Anderson stated that the Loans were expected to have a 30-year term and would be interest-only for four years, after which they would amortize over a 40-year amortization schedule, with a blended interest rate of 4.25%.

Ms. Anderson stated that it was anticipated that the 2021 Series A Bonds would initially be issued as tax exempt fixed rate long term bonds. However, she said, in the event that the project approvals were not received in time to sell and issue the 2021 Series A Bonds with a public offering before year end, the Corporation may elect to initially issue the 2021 Series A Bonds as variable rate obligations initially in the Term Rate mode as private placement or fund the Loan with the Corporation's unrestricted reserves. She said that the Corporation would expect, shortly thereafter, to remarket the 2021 Series A Bonds as tax exempt fixed rate bonds in a public offering.

Ms. Anderson stated that the Corporation also expected to originate a $38,945,000 SUN Loan, funded with its unrestricted reserves or available funds or bonds of the Open Resolution, which funding approval would be presented to the Members during the Open Resolution presentation later in this meeting. She said that the SUN Loan would be senior, un-enhanced, and non-accelerable with fixed principal and interest payments that were designed to mimic real estate taxes. She said that the SUN Loan would have a 40-year term and would fully amortize after the interest-only period.

Ms. Anderson said that the SUN Loan was non-accelerating, with only the annual amount due in senior position, and would be evidenced by a separate mortgage for each of the 40 years in the term. She said that the SUN Loan would not require external credit enhancement because of its high debt service coverage and particularly low repayment risk.

Ms. Anderson stated that the proceeds of the Mortgage Loans and the SUN Loan would be used for the acquisition, rehabilitation, and permanent mortgage for a 693-unit multifamily rental housing development known as Harlem River, consisting of 8 buildings located at two NYCHA owned properties in the Central Harlem neighborhood of Manhattan.

Ms. Anderson stated that the two developments that comprise Harlem River would all convert to Section 8 operating subsidy through a variety of conversion methods including the Rental Assistance Demonstration and Section 18 of the Housing Act of 1937.

Ms. Anderson stated that the combined development would be supported by one or more long term project-based Section 8 Housing Assistance Payment Contracts. She said that as a requirement of the HAP contract, residential units would be reserved for households earning no more than 50% of area median income. She said that the overwhelming majority of existing residents meet this income restriction; nonetheless all residents would have the right to remain in their homes after the subsidy conversion.

Ms. Anderson said that in 2019, NYCHA issued a request for proposal for a developer partner for the Project and in February 2020, a joint committee of NYCHA and HDC selected a partnership between Settlement Housing Fund and West Harlem Group Assistance.

Ms. Anderson stated that the borrower and mortgagor for the Project would be Harlem River Preservation LLC which is comprised of NYCHA and affiliates of the Settlement Housing Fund and West Harlem Group Assistance, and L+M as an investor member. She said that NYCHA would continue to hold fee title to the Project and would transfer beneficial ownership to the Borrower through a 99-year ground lease and nominee agreement, which would be executed at or prior to Loan Closing. She said that upon conversion, property management would transition to C+C Apartment Management, per an agreement between the two entities acceptable to the Corporation and NYCHA.

Ms. Anderson said that the proposed rehabilitation work was extensive and was expected to bring significant quality of life improvements to residents, promote energy efficiency, and enhance the development's physical appearance. She said the general contractor of the rehabilitation work would be L+M Builders. She said that the construction term was anticipated to be approximately 48 months.

Ms. Anderson stated that a subsidiary of Chase would be the Historic Tax Credit Equity investor and was expected to invest a total of $51.1 million in exchange for Federal and State Historic Tax Credits.

Ms. Anderson stated that the transaction would be structured to include an HTC pass-through master lease between the Borrower and the Master Tenant. She said that this structure was described in greater detail in the NYCHA PACT Harlem River Memorandum.

Ms. Anderson stated that the Corporation would enter into a Subordination, Non-Disturbance and Attornment Agreement with regard to the HTC Master Lease that preserves certain enforcement rights but prevents actions that would cause a recapture of the HTCs during the 5-year compliance period that begins on the date the project is placed in service. She said that in addition, the Corporation would expect to engage a special servicer who would facilitate preserving the HTCs while also protecting the Corporation's interests in certain default scenarios.

Ms. Anderson stated that at closing, HDC would fund two mortgage loans in an amount not expected to exceed $113,450,500. She said that the loans would be secured by the leasehold mortgage and would be subordinate to the annual payments of the SUN Loan in an amount not to exceed $38,945,000. She added that the risks and fees associated with the development are described in greater detail in the NYCHA PACT Harlem River Memorandum.

Mr. Moerdler stated that he would like to have some assurance on two questions. He asked to what extent, if any, would any of these monies be utilized directly or indirectly to build any incursion on land that is not currently occupied by the building. Hannah Blitzer, Managing Director, Public Housing Finance & Lending Strategies, replied that this project did not involve any funding for infill. Mr. Moerdler asked if there were none at all. Ms. Blitzer said correct. Mr. Moerdler then asked if this would be reflected in the minutes to which the Chairperson confirmed that the minutes would reflect this.

Mr. Moerdler asked who the managing agent was. Ms. Anderson said the managing agent was C+C Apartment Management. Mr. Moerdler then asked who they were. Ms. Blitzer stated that they were an affiliate of L&M Development. Mr. Moerdler then stated that the Conflicts of Interest Board required him to disclose that Members of his firm, but not he, have from time to time represented L&M. He said that the Conflicts of Interest Board confirmed that there is no conflict, so therefore, he needs not to recuse himself, only to disclose.

The Chairperson thanked Mr. Moerdler for his questions and asked if there were any further questions from Members of the Board. There were no questions. The Chairperson then asked Susannah Lipsyte, Executive Vice President & General Counsel of the Corporation, to describe the provisions of the Authorization.

Ms. Lipsyte asked the Chairperson if before she did that, the Chairperson would mind repeating the standard language found on the board script to "to start the Finance Committee meeting pursuant to the Public Authorities Accountability Act". Ms. Lipsyte stated that it was fine to do it in this order because there were no votes involved until this moment. The Chairperson said she did not mind and then stated that pursuant to the Public Authorities Accountability Act, and for the purposes of discussing the next items on the agenda, we would commence the meeting of HDC's Finance Committee.

Ms. Lipsyte then described the provisions of the Authorizing Resolution and the actions the Members were being requested to approve.

The Chairperson asked for a motion to approve the Authorizing Resolution related to Housing Impact Bonds, 2021 Series A for the NYCHA PACT Harlem River Developments and Approval of Mortgage Loans and other actions by the Members described in the NYCHA PACT Harlem River Memorandum.

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

RESOLVED, (A) to approve an authorizing resolution that provides for (i) the adoption of Supplemental Resolutions to the Housing Impact Bond Resolution, (ii) the issuance of the Bonds, and (iii) the execution of the HDC Loan Funding Agreement and other activities listed therein and in the NYCHA PACT Harlem River Memorandum; (B) to authorize (i) the use of the Corporation's general obligation pledge in an amount not to exceed 10% of the outstanding principal of the Mortgage Loans, plus costs associated with any delinquency resolution; and (ii) to pay the purchase price of the 2021 Series A Bonds during any initial Term Rate Term; (C) to approve the making of the Mortgage Loans in an aggregate amount not to exceed $113,415,500, which may be initially financed with the Corporation's unrestricted reserves until the issuance of the 2021 Series A Bonds; (D) to authorize the origination of the SUN Loan in an amount not to exceed $38,945,000; and (E) for all of the authorizations requested above, the Members are requested to approve the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish such financings.

The Chairperson stated that the next item for consideration by the Members would be the Approval of a Co-Lending Construction Loan and a Permanent Loan for PACT Linden-Penn-Wortman Developments and called upon Leroi Jiles, Vice President – Preservation/PACT Development to the Members of this transaction.

Mr. Jiles referred the Members to the memorandum before them entitled "Approval of a Co-Lending Construction Loan and a Permanent Loan for the PACT Linden-Penn-Wortman Developments" dated November 23, 2021 (the "PACT Linden Memorandum").

Mr. Jiles stated that he was pleased to recommend that the Members approve the origination of a construction loan in an amount not to exceed $434,740,000 and a permanent loan for the PACT Linden-Penn-Wortman Developments in an amount not to exceed $418,660,000 (the "Project").

Mr. Jiles stated that during the construction period, Wells Fargo was expected to purchase approximately two-thirds of the construction loan. He said that Wells' interest in the construction loan would be funded pursuant to a participation agreement between the Corporation and Wells. He said that the Corporation's retained share of the construction loan, in an amount not expected to exceed $144,910,000, was expected to be funded with available funds in the Open Resolution and/or the Corporation's unrestricted reserves.

Mr. Jiles stated that the proceeds of the construction loan would be used for the acquisition and rehabilitation of a 1,922-unit multifamily rental housing development known as Linden Houses and Pennsylvania-Wortman Avenue, consisting of twenty-two (22) buildings located at two New York City Housing Authority owned properties in the East New York neighborhood of Brooklyn. He said that it was anticipated that the permanent loan would be financed through the Corporation's FFB Program.

Mr. Jiles stated that the Project was part of the "Permanent Affordability Commitment Together," or "PACT" strategy outlined in the 2018 NYCHA 2.0 strategic plan, which describes how the City would reinvest and reposition public housing through Section 8 conversions.

Mr. Jiles said that the Linden Houses was part of a portfolio of 8 developments originally funded and constructed by New York City and New York State in the early 1960s without assistance from the US Department of Housing and Urban Development, known as the State-City Developments.

Mr. Jiles stated that in 2010, the Corporation provided supplemental financing for these developments, when the Members approved the issuance of the Corporation's 2010 Series A Bonds. He said that the financing was primarily intended to allow NYCHA to participate in Federalization under the American Recovery and Reinvestment Act of 2009 which allowed for federal operating subsidy and capital funds for public housing. He said that the scope of work was limited in nature and only included minimal repairs.

Mr. Jiles stated that the Project would be supported by a Section 8 conversion through the Part 200 process, Section 18, and HAP contracts through the RAD program. He said that as a requirement of the HAP contract, upon vacancy units in the project would be reserved for households earning no more than 50% of area median income. He said that the Project was currently 90% occupied, with a majority of households earning below 50% AMI. He said that all residents would have the right to remain in their homes after the subsidy conversion.

Mr. Jiles stated that in 2019, NYCHA issued a request for proposal for a co-developer partner for the Project and selected a partnership between L+M Development Partners, Douglaston Development, Dantes Partners, and SMJ Development.

Mr. Jiles said that the Borrower and Mortgagor for the Project would be Stanley Avenue Preservation LLC, a New York Limited Liability company which was comprised of a 50% managing member entity collectively controlled by L+M, Douglaston, Dantes, and SMJ, and a 50% member entity controlled by NYCHA.

Mr. Jiles said that NYCHA would continue to hold fee title to the Project and would transfer beneficial ownership to the borrower through a 99-year ground lease and nominee agreement, which would be executed at or prior to the construction loan closing.

Mr. Jiles stated that the proposed rehabilitation scope consists of a substantial rehabilitation that would focus on façade restoration and systems replacements, in-unit renovations and energy efficiency upgrades, and is expected to bring significant quality of life improvements to residents. He said that the construction term was anticipated to be 36 months.

Mr. Jiles stated that at conversion, the construction loan would be refinanced with the proceeds of the permanent loan in an amount not expected to exceed $418,660,000. He said that the permanent loan would be structured as a senior loan secured by the leasehold mortgage and is expected to be insured via the HUD Section 542c risk sharing program. He said that the loan may be initially funded with the Corporation's unrestricted reserves, with a beneficial interest sold to the US Treasury's Federal Financing Bank. He said that the loan was expected to have a 40-year term and carry an interest rate of 4.50%.

Mr. Jiles stated that to protect against interest rate volatility associated with the Forward

FFB Execution during the construction period, the Corporation expected to use a multi-faceted portfolio hedging approach to protect against interest rate volatility associated with this forward commitment.

Mr. Jiles said that the risks and fees associated with the project were described in greater detail in the PACT Linden Memorandum.

Mr. Jiles stated that if there were no questions, the Members were requested to approve (A) the origination of a construction loan in an amount not to exceed $434,740,000; (B) the making of a permanent loan not to exceed $418,660,000 which may be initially funded with unrestricted reserves but sold to the FFB; (C) the execution of an interest rate swap agreement; and (D) any documents necessary for the financing as described in the PACT Linden Memorandum.

Mr. Moerdler asked if there would be any infill of any kind, nature or description contemplated under this agreement. Ms. Blitzer replied no, there's not. Mr. Moerdler then asked if he had a commitment that this understanding would appear in the minutes, and the Chairperson said absolutely.

Mr. Moerdler then said that his previous disclosure with respect to L&M Development applied here as well.

Ms. Lipsyte said that she wanted to add to the authorization that Mr. Jiles just presented to include Members' approval of (A) the sale of approximately two thirds of the construction loan to Wells through a Participation Agreement; (B) the funding of the Corporation's retained share of the construction loan, in an amount not expected to exceed $144,910,000, plus costs associated with any delinquency resolution, with available funds in the Open Resolution and or the Corporation's unrestricted reserves; and (C) the execution by an authorized officer of any documents necessary to accomplish the financing.

Mr. Moerdler asked if that was Wells Fargo and Ms. Lipsyte replied yes. He asked as a municipality, had we gotten past the problems we had with Wells Fargo to which the Commissioner replied that she believed we had. The Commissioner asked if any of the staff had further information. Mr. Enderlin said that there was no issue and he understood what Mr. Moerdler was talking about but that was addressed in a board meeting a while back. There has been no change in that status and that there was no reason to believe that there was any ongoing issue that would impact the Corporation. He added that HDC had been doing some really great work with Wells Fargo recently. Mr. Moerdler said that it would be a bad way to end an administration if there were another problem like that.

The Chairperson asked if there were any further questions from Members. There being no further questions, the Chairperson asked if she had a motion to approve the Co-Lending Construction Loan and a Permanent Loan for PACT Linden-Penn-Wortman Developments.

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

RESOLVED, (A) to approve the origination of a construction loan in an amount not to exceed $434,740,000; (B) to approve the making of a permanent loan not to exceed $418,660,000 which may be initially funded with unrestricted reserves but sold to the FFB; (C) to approve the execution of an interest rate swap agreement; (D) to approve the sale of approximately two thirds of the construction loan to Wells through a Participation Agreement; (E) to approve the funding of the Corporation's retained share of the construction loan, in an amount not expected to exceed $144,910,000, plus costs associated with any delinquency resolution with available funds in the Open Resolution and or the Corporation's unrestricted reserves; and (F) to approve the execution by an authorized officer of any documents necessary to accomplish the financing as described in the PACT Linden Memorandum.

The Chairperson stated that the next item on the agenda was the approval of an Authorizing Resolution relating to Multi-Family Housing Revenue Bonds 2021 Series K, L, M, 2022 Series A; Approval of Mortgage Loans and Approval of SUN Loan and called upon Ruth Moreira, Acting First Executive Vice President to make the presentation.

Ms. Moreira referred the Members to the blacklined version of the memorandum before them entitled Multi-Family Housing Revenue Bonds, 2021 Series K, L, M, 2022 Series A; Approval of Mortgage Loans and Approval of SUN Loan (the "Open Resolution Memorandum") dated November 23, 2021 (and updated November 29, 2021) and the attachments thereto, including (i) Resolution Authorizing Adoption of the Three Hundred Thirtieth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series K-1 and 2021 Series K-2, the Three Hundred Thirty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series K-3, the Three Hundred Thirty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series L, the Three Hundred Thirty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series M, the Three Hundred Thirty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2022 Series A-1, and the Three Hundred Thirty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2022 Series A-2 and Certain Other Matters in Connection Therewith (the "Authorizing Resolution"); (ii) the Three Hundred Thirtieth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series K-1 and 2021 Series K-2; the Three Hundred Thirty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series K-3; the Three Hundred Thirty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series L; the Three Hundred Thirty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2021 Series M; the Three Hundred Thirty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2022 Series A-1; Three Hundred Thirty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2022 Series A-2 (the "Supplemental Resolutions"); (iii) the Preliminary Official Statement; and (iv) the Bond Purchase Agreement, all of which are appended to these minutes and made a part hereof.

Ms. Moreira stated that she was pleased to recommend that the Members approve the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2021 Series K, L, M, and 2022 Series A in an amount not expected to exceed $970,355,000.

Ms. Moreira stated that together with the Corporation's unrestricted reserves and available funds of the Open Resolution, the bonds were expected to be used to finance the construction, acquisition, rehabilitation and/or permanent financing of certain projects, and other activities as described in the Open Resolution Memorandum.

Ms. Moreira stated that interest on the 2021 Series K and M Bonds and 2022 Series A Bonds was expected to be exempt from Federal, New York state and local income tax, and such bonds would qualify as tax-exempt private activity bonds with a combination of an allocation of new private activity bond volume cap, an allocation of "recycled" volume cap and the refunding of certain outstanding bonds or obligations of the Corporation. She added that interest on the 2021 Series L Bonds was not expected to be exempt from Federal income tax but was expected to be exempt from New York state and local income tax.

Ms. Moreira stated that the Members were also requested to approve the financing of one construction loan to be funded in part with available funds in the Open Resolution and/or the Corporation's unrestricted reserves for the PACT Linden-Penn-Wortman development, as further described in the Open Resolution Memorandum and as was just presented to the Members today by Leroi Jiles, Vice President for Preservation/PACT.

Ms. Moreira said that in addition, the Members were also being asked to authorize the Corporation to finance one senior, un-enhanced, non-accelerating mortgage loan, a SUN Loan, for the PACT Harlem River I & II development. She said that if approved, the Corporation expected to fund all or a portion of this mortgage loan with proceeds from the 2021 Series K Bonds and the remaining portion with its unrestricted reserves or available funds of the Open Resolution, as further described in Open Resolution Memorandum and as was just presented to the Members today by Molly Anderson, Senior Project Manager for Development.

Ms. Moreira stated that an Authorizing Resolution would authorize the 330th through the 335th Supplemental Resolutions.

Ms. Moreira stated that it was anticipated that a portion of the proceeds of the 2021 Series K Bonds together with the Corporation's unrestricted reserves, would be used to finance all or a portion of the mortgage loans for 6 developments. She said that in the aggregate the developments would create or preserve approximately 1,429 rental homes in Queens, Brooklyn and the Bronx.

Ms. Moreira stated that due to the limited availability of new private activity bond volume cap, certain developments may receive a portion of required financing proceeds through the issuance of bonds through the Open Resolution in 2022. She added that for more information on these developments, please see Attachments "2-6" of the Open Resolution Memorandum.

Mr. Moreira stated that the Corporation may fund all or a portion of the short-term portion of certain senior mortgage loans with its unrestricted reserves. She said that when the borrower makes a mandatory prepayment upon the project's completion, such prepayment would be available for taxable re-lending by the Corporation to other affordable housing projects. She said that any future lending for a development that has not been previously approved by the Members would be presented for approval to the Members before the making of such a loan.

Ms. Moreira stated that it was anticipated that a portion of the proceeds of the 2021 Series

K Bonds would also be used to finance or to reimburse the Corporation for amounts previously advanced from its unrestricted reserves to finance all or a portion of 7 subordinate loans for 7 developments described in Attachment 7 of the Open Resolution Memorandum. She said that the 2021 Series K Bond proceeds would enable the financing of, or reimbursement for, these subordinate loans which the Members have previously approved. She said that the issuance of the 2021 Series K Bonds for this purpose would allow for the 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 Housing New York plan.

She said that it was also anticipated that a portion of the proceeds of the 2021 Series K Bonds would be used to finance the SUN Loan for the PACT Harlem River I & II development.

Ms. Moreira stated that it was anticipated that a portion of the proceeds of the 2021 Series L Bonds, together with the Corporation's unrestricted reserves and/or the available funds in the Open Resolution, would be used to finance all or a portion of the mortgage loans for 7 developments. She said that in the aggregate the developments would create or preserve approximately 1,818 rental homes in Manhattan, Brooklyn, and the Bronx. She said that for more information on these developments, please see Attachments "9-15" of the Open Resolution Memorandum.

Ms. Moreira stated that the Prospect Park South Portfolio was expected to be financed with two mortgage loans as part of a top-loss financing agreement between the Corporation and Freddie Mac. She said that one senior position mortgage loan, the Freddie Mac Enhanced Mortgage Loan, was expected to have supplemental security from a standby credit enhancement agreement issued by Freddie Mac. She said that the second, subordinate mortgage loan was not expected to have supplemental security. She said that the Mortgage Loan for the Prospect Park South Portfolio development was expected to satisfy the Participation Loan that was approved by the Members on October 5, 2021, and funded by the Corporation's unrestricted reserves.

Ms. Moreira stated that it was anticipated that the 2021 Series M Bonds would be issued as a convertible option bond or COB to preserve tax-exempt "recycled" volume cap in excess of the amounts currently needed by the Corporation and the New York State HFA and/or to preserve private activity volume cap in the event the Corporation had tax-exempt new private activity volume cap in excess of the amounts needed to finance mortgage loans this December.

Ms. Moreira said that if issued, the proceeds of the 2021 Series M Bonds were expected to provide construction and permanent financing for the new construction or acquisition and rehabilitation of certain developments, all of which were listed on Attachments 1 - 16 of the Open Resolution Memorandum and which would all meet the low income set aside required to issue private activity tax-exempt bonds. She said that the mortgage loans for these developments have either previously closed with corporate funded loans that would be refinanced with recycled bonds or are expected to close in 2022 at which point the 2021 Series M Bonds were expected to be refunded or remarketed to match the terms of the applicable mortgage loans. She added that most of the developments listed would not be funded from the 2021 Series M Bond proceeds but all would be eligible for such financing.

Ms. Moreira stated that it was anticipated that the proceeds of the 2022 Series A Bonds would be used to refund various series of the Corporation's Multi-Family Housing Revenue Bonds that were able to be refunded, to generate interest rate savings in the Open Resolution.

Ms. Moreira said that the 2021 Series K Bonds were expected to be issued as tax exempt with some sub-series as recycled or new volume cap, and as fixed rate, in an initial term rate term with convertible options and as variable rate demand bonds. She said that the Corporation expected Barclays Capital Inc. to provide liquidity through a stand-by bond purchase agreement for the 2021 Series K variable rate demand bonds in accordance with the programmatic authority delegated to the Corporation's staff by the Members at the March 29, 2019, Members' meeting.

Ms. Moreira stated that the 2021 Series L Bonds were expected to be issued as taxable variable rate, SOFR-index bonds expected to be purchased by the Federal Home Loan Bank of New York ("FHLBNY"). She said that it was expected that FHLBNY would have the right to give notice on a quarterly basis to put the 2021 Series L Bonds back to the Corporation effective 12 months after such notice. She said that if the Corporation could not repay the principal remaining on the 2021 Series L Bonds put, then the Corporation would repay FHLBNY the principal amount over a period, anticipated to be 5 years, from excess cash in the Open Resolution.

Ms. Moreira stated that the 2021 Series M Bonds were expected to be issued as tax exempt variable rate obligations initially in the Term Rate Term.

Ms. Moreira stated that the 2022 Series A bonds were expected to be issued as tax exempt fixed rate, in an initial term rate term with convertible options and as variable rate demand bonds. She said that the Corporation expected Barclays Capital Inc. to provide liquidity through a stand-by bond purchase agreement for a portion of the 2022 Series A variable rate demand bonds.

Ms. Moreira stated that more detail on the developments as well as bond underwriters, risks, fees and credit ratings associated with the bonds were outlined in the Open Resolution Memorandum. Ms. Moreira asked if there were any questions.

Mr. Moerdler asked for assurance that no portion of the proceeds, to the extent applicable, would in any event be used for any infill project or construction in currently vacant area of the several housing authority buildings. Ms. Moreira confirmed and stated that it would be reflected in the minutes.

The Chairperson then called upon Susannah Lipsyte, Executive Vice President and General Counsel for the Corporation, to describe the provisions of the Authorizing Resolution and the actions the Members were being asked to approve.

Ms. Lipsyte then described the provisions of the Authorizing Resolution and the actions the Members were being requested to approve.

Mr. Moerdler asked what the security on the hedge was. Ellen Duffy, Executive Vice President for Debt Issuance and Finance said that it was the general obligation of the Corporation like the hedges previously done. She said that the Corporation would bid out counterparties and that they already have ISDA Agreements in place that have very high credit terms.

The Chairperson asked for a motion to approve the Authorizing Resolution related to Multi-Family Housing Revenue Bonds 2021 Series K, L, M, 2022 Series A; Approval of Mortgage Loans and Approval of SUN Loan and other actions by the Members described in the Open Resolution Memorandum.

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

RESOLVED, A) to approve an authorizing resolution that provides for (i) the adoption of Supplemental Resolutions to the Open Resolution, the issuance of the Bonds, and other activities listed therein and, in the Open Resolution Memorandum; (B) to approve (i) the making of six (6) senior and subordinate loans for the new construction of six (6) ELLA developments from proceeds of the 2021 Series K Bonds and/or the Corporation's unrestricted reserves in an amount not expected to exceed $476,140,000; and (ii) the use of such amount of the Corporation's unrestricted reserves to fund all or a portion of the short-term portion of the senior loans for those six (6) ELLA developments; (C) to approve (i) the making of loans for 7 developments, in an amount not expected to exceed $213,190,000 from proceeds of the 2021 Series L Bonds and/or available funds of the Open Resolution or its unrestricted reserves; (D) to authorize (i) the financing of one (1) construction loan for the PACT Linden-Penn-Wortman developments, in an amount not expected to exceed $434,740,000; (ii) the sale of approximately two thirds of the construction loan to Wells Fargo through a participation agreement; (iii) the funding of the Corporation's retained share of the construction loan, in a combined amount not to expected to exceed $144,910,000, with available funds in the Open Resolution and/or the Corporation's unrestricted reserves; and (iv) the financing of the SUN Loan for the PACT Harlem River development in an amount not expected to exceed $38,945,000 from proceeds of the 2021 Series K Bonds and/or available funds of the Open Resolution or its unrestricted reserves; (E) to approve the execution of one or more interest rate hedging instruments in a combined notional amount not expected to exceed $100,000,000; and (F) for all of the authorizations requested above, the Members are requested to approve the execution by an Authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish such financings.

The Chairperson stated that the next item on the agenda would be the Presentation and Approval of the Fiscal Year 2022 Operating Budget and called upon Ms. Baumann to advise the Member regarding this transaction.

Ms. Baumann referred the Members to the memorandum before them entitled "Proposed FY 2022 Operating Budget" dated November 23, 2021 (the "FY 2022 Budget Memorandum") which is appended to these minutes and made a part hereof and stated that she was pleased to present the Corporation's proposed Fiscal Year 2022 operating budget for the Members' approval.

Ms. Baumann stated that the Corporation ended Fiscal Year 21 with an excess of revenues over expenses, on a cash basis, of $110.87 Million, an increase of $1.9 Million over the budgeted amount. She said that the increase was due to higher than expected servicing fees and fees received on loan originations and refinancings, as well as better than expected performance in the Open

Resolution.

Ms. Baumann stated that the Fiscal Year 22 revenues were budgeted to be $144.95 Million, a $1.27 Million increase from the Fiscal Year 21 adopted budget. She said that the budget-to-budget increase was largely attributable to an increase in HDC servicing and loan origination fee income, as well as an increase to the Open Resolution surplus withdrawal. She said that the increase was largely offset by a forecasted decrease in investment income as the staff expected interest rates to remain quite low.

Ms. Baumann stated that Fiscal Year 22 expenses were budgeted to be $40.4 Million. She said that this was a $5.69 Million or 16.39% increase from the Fiscal Year 21 adopted budget. She said that the increase from the Fiscal Year 2021 budgeted amounts revolves around certain budget lines decreasing or increasing from last year but the overall projected increase is due to the growth in work, growth in staff and renewal of the office lease.

Ms. Baumann stated that as we approach the end of the current mayoral administration the Corporation continues its commitment to finance the creation or preservation of affordable housing under the Housing Plan. She said that since 2014, HDC had contributed to the financing of close to 78,000 affordable homes, accomplished by issuing close to $15 billion in bonds and debt obligations over the past eight years. She said that overall, since 2003, HDC had financed more than 201,000 affordable homes using over $27 billion in bonds and other debt obligations and provided in excess of $3.4 billion in subsidy from corporate reserves and other available funds held by the Corporation.

Ms. Baumann stated that the Corporation was also committed to our partners at NYCHA and HPD. She said that we've recently expanded our mission to serve as the key financing partner under the NYCHA PACT initiative. She said that to date, HDC had contributed over $1 billion in financing under the PACT program, to support repairs and upgrades at twenty-seven NYCHA campuses comprising over 5,000 homes. She added that with HPD, in addition to our long-standing partnership over the years, in the last quarter of 2020, HDC purchased outstanding loan residuals from HPD, bringing additional debt and properties into HDC's portfolio. She said that this addition to the portfolio would increase the workload of HDC's Asset Management department in the coming years.

Ms. Baumann stated that as a key financing partner, HDC has consistently ranked among the top issuers of multi-family housing revenue bonds. She said that during Fiscal Year 21, the Corporation issued close to $2.7 billion in bonds and debt obligations. She said that over the past eight years HDC's bond issuance has averaged $1.85 billion while maintaining its AA credit rating. She added that along with the bond financings, over those same eight years, HDC's total assets had doubled, and net assets had nearly doubled as well.

Ms. Baumann stated that while the Corporation continues to flourish, we continuously pay close attention to cost management. She said that throughout this same period of expanding our mission and partnerships, the staff had grown at a much slower pace than the balance sheet. She said that success comes with a price, and with the increased workload and demands on an organization as successful as HDC, as well as succession planning for the future, this year denotes the time to right size the budget and the staff. She said that this year's budget includes an increase of eight positions to the staff headcount, a 3.8% increase. She said that all but one of the new hires would be additions to existing staff positions to support the increased workload. She said that the other hire would be a new position in the IT department created as part of HDC's continuing efforts to enhance cybersecurity.

Ms. Baumann stated that along with the growth in staff there also needs to be a plan to invest in the physical space. She said that the office lease expires in November 2022 and we have ultimately outgrown the current space. She said that the Corporation has been exploring office space options to accommodate a growing staff and to take advantage of a down real estate market. She said that this year's budget carries some expenditures related to a new office lease.

Ms. Baumann stated that finally, the Fiscal Year 22 budget includes expenses to replace IT equipment that has reached its end of useful life. She said that over the last few years, with the knowledge of the upcoming lease expiration, staff have been extending the life of existing equipment and deferring replacement as much as possible. She said that this had helped HDC achieve significant savings over the last few years and kept the IT budget line flat, which had also helped with the migration to the cloud. She said that the migration to the cloud would also allow us to decommission the large data center in the upcoming year as well.

Ms. Baumann stated that the Fiscal Year 2022 budget reflects a larger increase than in years past, but a strategic challenge then and now was to ensure that the Corporation's growth in assets, projects under supervision, and transactions undertaken, does not outstrip the staff's capacity to manage them. She said that the Corporation was curtailing costs where possible, balancing expenses while maintaining efficiencies, keeping pace with the continuously expanding portfolio the staff was required to oversee, and seeking to maximize its contributions to the City's housing effort. She said that the budget senior management proposes for Fiscal Year 2022 reflects our balanced and measured response to this challenge.

Ms. Baumann stated that the notes in Schedule A to the FY 2022 Budget Memorandum provide more details for each revenue and expense line item.

She said that if there were no questions, the Members were being asked to approve the Corporation's Fiscal Year 2022 Operating Budget.

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

RESOLVED, to approve the Corporation's Fiscal Year 2022 Operating Budget.

The Chairperson stated that the next item on the agenda would be the Presentation of the Property Disposition Report and again called upon Ms. Baumann to make this presentation.

Ms. Baumann referred the Members to the memorandum before them entitled "Annual Report on Property Disposal Guidelines" dated November 23, 2021 (the "Property Disposal Guidelines Memorandum") and the Property Disposal Guidelines and Report for Fiscal Year ending October 31, 2021, attached thereto, all of which are appended to these minutes and made a part hereof.

Ms. Baumann stated that she was pleased to recommend that the Members approve the Property Disposition Guidelines attached to the Property Disposal Guidelines Memorandum.

She said that pursuant to the Public Authorities Accountability Act of 2005 each public authority was required to adopt comprehensive guidelines in connection with the disposition of property owned by each authority and re-approve such guidelines on an annual basis. She said that the guidelines had not changed since originally approved by the Members in Fiscal Year 2008. She said that the Corporation did not currently own any real property, nor did it dispose of any in the prior year as noted in the annual property disposition report in the Property Disposal Guidelines Memorandum. She said that after approval, the report would be submitted to the Office of the State Comptroller, the Director of Budget, the Commissioner of General Services, and the Office of the NYC Comptroller. She said that the Report would also be published on the Corporation's website.

Ms. Baumann said if there were no questions, the Members were being asked to approve the Corporation's Fiscal Year 2021 Property Disposition Guidelines.

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

RESOLVED, to approve the Corporation's Fiscal Year 2021 Property Disposition Guidelines.

The Chairperson stated that at this time, she 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 Ms. Scott, and seconded by Mr. Gould, the Members of the Finance Committee unanimously:

RESOLVED, to ratify the items just approved by the Finance Committee.

At this time, the Chairperson asked if there was any other business for discussion for this final HDC Board Meeting of the year.

Mr. Moerdler stated that he wanted to wish everyone a healthy and better year ahead. Ms. Scott said that she wanted to wish the same and congratulated staff at the Corporation for all of their hard work and accomplishments despite it being such a hard year. She also congratulated the Corporation for probably being the only place in the entire country with a 100% vaccination rate. She said that that was also something to be celebrated.

The Chairperson thanked the staff at HDC and HPD again. She said that she did not know how they are doing it and that she was so happy to see that the Corporation was adding 8 new people because she knows how much work there is to do at HDC. She said that she hoped everyone had a great Thanksgiving and she hoped everyone would have a wonderful holiday season. Finally, the Chairperson said that the support of the Board for the staff, herself and Mr. Enderlin was more than she could say thank you for, but she thanks everyone.

At 2:53 p.m., there being no further business the meeting was adjourned.

Respectfully submitted,

Moira Skeados

Moira Skeados
Secretary

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

November 30, 2021

ATTENDANCE LIST

Eric Enderlin	New York City Housing Development Corporation
Cathleen Baumann	" "
Susannah Lipsyte	" "
Terry Gigliello	" "
Mary Hom	" "
Ruth Moreira	" "
Hannah Blitzer	" "
Ellen Duffy	" "
Mary John	" "
Moira Skeados	" "
Elizabeth Strojan	" "
Alex Medina	" "
Leroi Jiles	" "
Molly Anderson	" "
Madhavi Kulkarni	" "
Joseph Macaluso	" "
Susan Tso	" "
Yaffa Oldak	" "
Jennifer Beamish	" "
Jeffrey Stone	" "
Stephanie Mavronicolas	" "
Eugene Yee	" "
Patrick Ogoke	" "
Lisa Geary	" "
Julie Gonzalez	" "
Adam King	" "
Terren Wing	" "
Violine Roberty	" "
Carol Micalizzi	" "
Farhana Choudhury	" "
Lisa Wertheimer	" "
Alison Glaser	" "
Sean Capperis	" "
Ilana Moyer	" "
Tinru Lin	" "
Brian Wong	" "

Norman Garcia	"	"
Alex Kleppin	"	"
Claudine Brown	"	"
Katherine Smith	"	"
Michael Rose	"	"
John Gearrity	"	"
Mary Bruch	"	"
Trisha Ostergaard	"	"
Horace Greene	"	"
Merin Urban	"	"
Lydia Aponte	"	"
Ana Meza	"	"
Christina Clarke	"	"
Justin Mathew	"	"
Keri Springett	"	"
Jessica Valentino	"	"
Massandje Bamba	"	"
Jessica Facciponti	"	"
Marion Amore	"	"
Justine Martin	"	"
Austin Chin	"	"

Kevin Murphy	Hawkins Delafield & Wood LLP
Gregory Henniger	" "
Jeff Philp	Orrick
Elizabeth Rohlfing	NYC Dept. of Housing Preservation and Development
Eric Johnson	NYC Dept. of Investigation
Sara Ketchum	Academies Securities
Albert Luong	Barclays
Damian Busch	" "
Joseph Monitto	Bank of America
George Jaeger	" "
Ansel Caine	Caine Mitter
Samphas Chhea	Jefferies
Peter Weiss	JP Morgan Chase

Steve Splawinski	Morgan Stanley
Joseph Tait	Raymond James
Mitchell Gallo	RBC
Cathy Bell	Stern Brothers
Briana Eubanks	UBS
Peter Cannava	Wells Fargo