

### NOT-FOR-PROFIT HOUSING COMMITTEES

If the parent not-for-profit corporation amends its by-laws to insert the language below, and then creates a housing committee that complies with all of its requirements, then:

- only the members of the housing committee will be required to submit disclosure statements;
- the parent's board members who are not on the housing committee will not be required to submit disclosure statements, but HPD/HDC will still require their names, social security numbers, and dates of birth, which will be used to perform a search of online databases regarding each individual;
- all board members of the single asset entity created by the parent not-for-profit corporation must submit Disclosure Statements;
- the parent's corporate resolution must describe the housing committee and identify its members; and
- the building loan agreement or other project documents will provide for an event of default if, before permanent conversion, any member is added to the parent's housing committee or the single asset entity's board without HPD/HDC approval.

#### Housing Committee By-laws Language

The following language must be inserted in by-laws of the parent not-for-profit corporation:

Housing Committees. The Board, by resolution adopted by a majority of the entire Board, may establish one or more standing committees or special committees ("Housing Committees") for the purpose of participating in one or more real estate transactions related to the development of affordable housing ("Housing Transactions").

- a. Each such Housing Committee shall consist of not less than three Directors appointed by the Chair of the Board with the approval of the Board.
- b. Each such Housing Committee shall exercise all powers and duties of the Board with respect to the Housing Transaction(s) for which it has been formed.
- c. Following the formation of a Housing Committee for one or more Housing Transaction(s), (i) the Board shall make no further determinations concerning such Housing Transaction(s), (ii) the Housing Committee shall make all subsequent determinations concerning such Transaction(s), and (iii) no determination by the Housing Committee concerning such Transaction(s) shall require approval by the Board.
- d. Where the New York City Housing Development Corporation ("HDC") and/or the City of New York, acting by and through its Department of Housing Preservation and Development ("HPD"), is a party to any Housing Transaction for which a Housing Committee has been formed, until the conversion of such Housing Transaction to permanent financing or such later date as may be established in any agreement with HDC and/or HPD, (i) no member shall be added to the Housing Committee without the prior written consent of HDC and/or HPD, as applicable, and (ii) the Housing Committee shall not be disbanded or eliminated without the prior written consent of HDC and/or HPD, as applicable.