MINUTES OF THE 28TH MEETING OF THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION GOVERNANCE COMMITTEE HELD ON JANUARY 29, 2013 AT 8:30 A.M. AT ITS OFFICES AT 641 LEXINGTON AVENUE NEW YORK, NEW YORK 10022

MEMBERS AND DESIGNEES

PRESENT:

Steven J. Weiss	Committee Chairman
Darryl C. Towns	Member
Renee Nowicki	Division of the Budget, representing Robert L. Megna, Member (via video conference)

The meetings of the Governance Committees were opened in joint session by Ms. Naomi Bayer, Governance Committee Chairperson of the State of New York Municipal Bond Bank Agency (MBBA) and Tobacco Settlement Financing Corporation (TSFC).

Mr. Valella, Vice President and Deputy Counsel of the Agencies, acted as Secretary. He noted that Ms. Renee Nowicki, Division of the Budget, was participating in the meeting via video conference from the New York State Division of Budget conference center at the Capital Building, Room 131, in Albany. NY. A public notice was given of the time and location of the venue.

Mr. Valella stated that Steven J. Weiss is the Governance Committee Chairman for the New York State Housing Finance Agency and the New York State Affordable Housing Corporation and will chair the Committee meetings for HFA and AHC. Don Lebowitz is the Governance Committee Chairman for the State of New York Mortgage Agency and would chair the meeting for that Agency. Naomi Bayer is the Chairperson for the Municipal Bond Bank Agency and the Tobacco Settlement Financing Corporation and will chair the Committee meetings for MBBA and TSFC.

Mr. Kenneth Bialo, Andrew SanFilippo, Members/Directors of MBBA/TSFC, Ms. Susan Watson, NYS Department of State, Ms. Marge Rogatz, Ms. Naomi Bayer, and Mr. Don Lebowitz, Directors of the Governance Committee of the State of New York Mortgage Agency, and Ms. Aida Brewer NYS Taxation and Finance attended the meeting as guests.

Mr. Vallella asked for motions and seconds to call the meetings to order of the Audit Committees of the New York State Housing Finance Agency ("HFA"), the State of New York Mortgage Agency (SONYMA), the New York State Affordable Housing

Corporation ("AHC"), the State of New York Municipal Bond Bank Agency ("MBBA") and the Tobacco Settlement Financing Corporation ("TSFC"). Steven J. Weiss made a motion to call the HFA and AHC meetings to order; Darryl Towns seconded the motion; Don Lebowitz made a motion to call the SONYMA meeting to order; Marge Rogatz seconded the motion; Kenneth Bialo made a motion to call the MBBA and TSFC meetings to order; Naomi Bayer seconded the motion.

Mr. Valella noted that as items are presented to each Committee throughout the meetings, these motions and seconds will be used, unless specific items call for a different vote, or unless any committee member wishes to record his or her vote differently.

Mr. Valella stated that items shared by one or more of the committees will be presented by MBBA/TSFC Chairperson Naomi Bayer. These minutes reflect only those items being considered by the Members of the New York State Affordable Housing Corporation Governance Committee. A record of items considered by the other Agencies' Governance Committees is contained in the minutes of each Committee respectively.

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The first item on the agenda was the approval of the minutes of the New York State Affordable Housing Corporation 27th Governance Committee Members' meeting held on December 11, 2012. Absent comments or corrections from the Members, the minutes were deemed approved.

The next item on the agenda was a resolution recommending the approval of the Agency's Mission Statement. MBBA/TSFC Committee Chairperson Ms. Bayer stated that information regarding this item was contained in the meeting materials previously submitted to the Committee, which materials are incorporated herein by reference.

Mr. Valella informed the committee members that there is a requirement in the Public Authorities law that agencies adopt a mission statement. He stated that an additional requirement is that the Agencies' mission statements be reviewed annually and that staff provided committee members and the board with measurements indicating how each department performed in connection with the mission. He added that last year an amendment was made to the Mission Statements, as part of the annual review process, to include MWBE accomplishments. Mr. Weiss, Governance Committee Chairman for HFA/AHC, suggested that it would be helpful if in the "means to achieve" section a statement was added to require quarterly updates on HFA program priorities and on the state of the pipeline. Committee Chairman Mr. Weiss stated that this type of report will make the Board's work in approving projects easier. Mr. Valella suggested the language be incorporated in the Mission statement. Agency Chairman Mulrow suggested that it be added to the "Means to Achieve the Mission" section of the Mission Statement, and the

rest of the members agreed. MBBA/TSFC Chairperson Ms. Bayer clarified that this addition would be added to all the Agencies means section of the mission statement. Mr. Valella stated that this would be a recommendation to the Board. Mr. Bialo stated as it relates to MBBA and TSFC boards that those committees and boards have very few deals and as a result this recommendation is not necessary for those specific agencies.

Committee Chairman Steven Weiss moved to adopt the resolution recommending the change to the HFA mission statement; Darryl Towns seconded the motion and the following resolution was adopted unanimously:

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY AND THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY GOVERNANCE COMMITTEES REVIEWING AGENCIES' MISSION STATEMENTS

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The next item on the agenda was a resolution recommending the review and approval of the Board Self-Evaluation. MBBA/TSFC Chairperson Ms. Bayer stated that the information regarding this item was contained in the meeting materials previously submitted to the Committee, which materials are incorporated herein by reference.

Mr. Valella stated that the Board is required to evaluate itself annually. Mr. Valella stated that all board members received a self-evaluation form and that all the members responded anonymously. Mr. Valella stated that in the resolution before the Committee, the Members are being asked to confirm that the evaluation process had been carried out under the committee's review, that the tabulations had been made, and that the results had been communicated by the Committee to the Board.

Committee Chairman Steven Weiss moved to adopt the resolution; Darryl Towns seconded the motion and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEES OF THE NEW YORK STATE HOUSING FINANCE AGENCY, THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND THE TOBACCO SETTLEMENT FINANCING CORPORATION CONCERNING BOARD SELF-EVALUATIONS

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The next item on the agenda was a consent item recommending the authorization of contracts with firms on the Agencies prequalified panel for legal services (other than bond counsel services). MBBA/TSFC Committee Chairperson Ms. Bayer stated that information regarding this item was contained in the meeting materials previously submitted to the Committee, which materials are incorporated herein by reference. Mr. Valella stated the Agencies conducted an RFP to create a panel of firms to provide services to the Agencies on non-bond counsel matters, and that the memorandum presented to the Committee laid out the process followed, and made a recommendation as to the creation of the panel.

Committee Chairman Steven Weiss moved to adopt the resolution; Darryl Towns seconded the motion and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEES OF THE NEW YORK STATE HOUSING FINANCE AGENCY, STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF'NEW YORK MUNICIPAL BOND BANK AGENCY, AND TOBACCO SETTLEMENT FINANCING CORPORATION AUTHORIZING CONTRACTS WITH FIRMS ON THE AGENCIES PREQUALIFIED PANEL FOR LEGAL SERVICES (OTHER THAN BOND COUNSEL SERVICES)

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The next item on the agenda was an information item requesting the Annual Evaluation of the Governance Committee. MBBA/TSFC Chairperson Ms. Bayer stated that the information regarding this item was contained in the meeting materials previously submitted to the Committee, which materials are incorporated herein by reference.

Mr. Valella informed the Committee Members that the materials submitted to the Committee for this item include the information needed for the Members to complete the annual self evaluation.

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There being no further business, Committee Chairman Steve Weiss moved to adjourn; Commissioner Darryl C. Towns seconded the motion, and the meeting was adjourned at 8:44 a.m.

Alejandro J. Valella, Acting Secretary