MINUTES OF THE 27th MEETING OF THE
NEW YORK STATE AFFORDABLE HOUSING CORPORATION
GOVERNANCE COMMITTEE MEETING
HELD ON DECEMBER 11, 2012 AT 9:10 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022

MEMBERS AND DESIGNEES

PRESENT:

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

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. Elaine McCann, Division of the Budget, Ms. Susan Watson, Department of State, and Mr. Thomas H. Mattox, Commissioner, Department of Taxation and Finance were participating in the meeting by video conference from the New York State Division of Budget conference center at the Capital Building, Room 131, in Albany; Mr. Steven Weiss, AHC/HFA Committee Chairman and Mr. Andrew SanFilippo, MBBA/TSFC Audit Committee Member/Director from the Agency's Buffalo Regional Office at Electric Tower, 535 Washington Street, Suite 105, Buffalo, New York, and Ms. Marge Rogatz, SONYMA Audit Committee Director from the office of Expedia at 325 Duffy Avenue, Hicksville, NY. A public notice was given of the time and locations of both venues.

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. Thomas H. Mattox, Member of the Audit Committee of the New York State Housing Finance Agency (HFA) and New York State Affordable Housing Corporation (AHC); Ms. Susan Watson, Department of State, Mr. Andrew SanFilippo, Director/Member of New York State Municipal Bond Bank Agency (MBBA) and the Tobacco Settlement Financing Corporation (TSFC) Audit Committees, Ms. Marge Rogatz, Ms. Naomi Bayer, and Mr. Don Lebowitz, Directors of the Governance Committee of the State of New York Mortgage Agency attended the meeting as guests.

Mr. Valella asked for motions and seconds to call the Governance Committee meetings to order of the New York State Housing Finance Agency (HFA), New York State Affordable Housing Corporation (AHC), State of New York Mortgage Agency (SONYMA), State of New York Municipal Bond Bank Agency, (MBBA), and Tobacco Settlement Financing Corporation (TSFC). Chairman Weiss made a motion to call the HFA and AHC Governance Committee meetings to order; Ms. McCann seconded the motion. Ms. Bayer made a motion to call the SONYMA meeting to order; Ms. Marge Rogatz seconded the motion; Ms. Bayer made a motion to call the MBBA meeting to order; Ms. McCann seconded the motion. Ms. Bayer made a motion to call the TSFC meeting to order; Ms. McCann 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. The meetings of the Governance Committees were opened in joint session for the consideration of various matters of shared importance. These minutes reflect only those items being considered by the Members of the New York State Housing Finance Agency 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 26th Governance Committee Members' meeting held on September 11, 2012. Absent comments or corrections from the Members, the minutes were deemed approved.

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The next item on the agenda was a resolution recommending the approval of MWBE Goal Plan for 2013-2014. Ms. Naomi Bayer stated that information regarding this item was contained in the meeting materials provided which are incorporated herein by reference.

Wanda Graham, Vice President/Director, Office of Fair Housing & Equal Opportunity made a presentation regarding the MWBE Goal Plan to the Governance Committee. Ms. Graham stated that as of the last fiscal the Agencies have made great improvements in MWBE participation and the Agencies were looking to continue that

effort. Ms. Marge Rogatz congratulated Ms. Graham and her staff for their hard work in quickly moving this effort forward. Chairman Weiss also echoed Ms. Rogatz's comments and complimented Ms. Graham and her staff for all the good work they are doing. Chairman Weiss stated that he had many conversations with Ms. Graham regarding MWBE and appreciated her approach to this effort.

Chairman Weiss moved to adopt the resolution; Ms. McCann seconded the motion, and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEES OF THE STATE OF NEW YORK MORTGAGE AGENCY, NEW YORK STATE HOUSIGN FINANCE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND TOBACCO SETTLEMENT FINANCING CORPORATION APPROVING THE ANNUAL UPDATED AND CONSOLIDATED EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION 2013-2014 GOAL PLAN.

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The next item on the agenda was a resolution recommending the approval of revisions to the Agencies' Lobbying Reform Law Policies. Mr. Valella stated that one of the functions of the Governance Committee is to review the Agencies' lobbying policies. Mr. Valella stated that in 2013 there are new lobbying provisions that will affect public authorities; he stated there are a number of provisions that do not relate to the Agencies but the Agencies have incorporated the one provision that specifically relates to the Agencies' procurement process.

Mr. Bialo, MBBA/TSFC Member/Director inquired as to where the new provision is highlighted in the policy. Mr. Valella directed him to the new Article referenced Project Sunlight. Susan Watson inquired if that was the only change. Mr. Valella stated that it was the only change. Mr. Valella stated the main substantive change was Section 3 – Requirements under the Project Sunlight PSL Directors. He stated that until now, if someone attempts to contact a board member or staff to try to influence a particular contract, the law required the board member or staff member to record the contact only if the Agencies have initiated procurement. He said that the difference with the PSL is that going forward for all contracts, this requirement kicks in even if the Agencies have not initiated procurement. He stated that any time a board member or senior staff is contacted, not in a purely informational or casual capacity, but in an attempt to influence an actual or potential procurement opportunity, there is now a requirement beginning January 1, 2013 that the board member or senior staff member reports that appearance to the Agencies. He stated that the contact is permissible but it will be noted on OGS's website and the public can see who is attempting to lobby. Mr. Valella said that it applies not only to lobbyists but individuals lobbying on their own behalf. He said that OGS does not yet have the system in place for us to record this, but the requirement will be that the board member must contact the Agencies through the

legal department and report the contact within five business days. He stated the Governance Committee reviewed and approved this item at their December 11, 2012 meeting and the revisions that the Agencies are making to the lobbying policies are only to incorporate the PSL as it relates to the Agencies.

Chairman Weiss moved to adopt the resolution; Ms. McCann seconded the motion, and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEES OF THE NEW YORK STATE HOHUSING FINANCE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND TOBACCO SETTLEMENT FINANCING CORPORATION APPROVING AMENDED AND CONSOLIDATED LOBBYING POLICIES

The next item on the agenda was a resolution approving salary ranges for Senior Officers. Kenneth Bialo, MBBA/TSFC Member/Director asked what are the current salary ranges for Senior Officers. Mr. Valella stated that the actual salary range is $118,965 to $250,000, although the maximum salary paid to Senior Vice Presidents is substantially lower than the maximum allowed. Mr. Bialo requested clarification on salary ranges that the boards have approved. Mr. Valella stated that in the past the range was roughly from $122,000 to $250,000 but now the minimum salary for Senior Vice Presidents was being lowered.

Chairman Weiss moved to adopt the resolution; Ms. McCann seconded the motion, and the following resolution was adopted unanimously:

A RESOLUTION OF THE GOVERNANCE COMMITTEES OF THE NEW YORK STATE HOHUSING FINANCE AGENCY, NEW YORK STATE AFFORDABLE HOUSING CORPORATION, STATE OF NEW YORK MORTGAGE AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, AND TOBACCO SETTLEMENT FINANCING CORPORATION ADOPTING SALARY RANGES FOR SENIOR OFFICERS.

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There being no further business, Chairman Weiss moved to adjourn; Commissioner Darryl C. Towns seconded the motion, and the meeting was adjourned at 9:25 a.m.

Alejandro J. Valella, Acting Secretary