

**MINUTES OF THE 206<sup>th</sup> MEMBERS' MEETING OF THE  
NEW YORK STATE AFFORDABLE HOUSING CORPORATION  
HELD ON APRIL 2, 2009 AT 9:45 A.M. AT  
ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES:

PRESENT:

Judd S. Levy	Chairman
Paul Jones	Member
Deborah VanAmerongen	Member
Karen A. Phillips	Member
Aida Brewer	Department of Taxation and Finance, representing Robert Megna, Member (via video conference)
Daniel Sheppard	Division of the Budget, representing Laura L. Anglin, Member (via video conference)

ABSENT:

John L. DiMarco      Member

Chairman Levy chaired the meeting; Joy F. Willig, Senior Vice President and Counsel, acted as secretary. The meetings of the Affiliated Agencies 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 Affordable Housing Corporation. A record of items considered by other Agencies is contained in the minutes of each Agency respectively.

Chairman Levy noted certain Board Members were participating in the meeting via video conferencing. He noted that the public notice for the meeting had informed the public as to the participation by videoconference and had identified the location of the meeting, noting that the public had a right to attend.

**The first item on the agenda was the President's Report.** Priscilla Almodovar, the Agencies' President and Chief Executive Officer, reported on progress of work on the Neighborhood Stabilization Program. She said staff would be seeking board approval of the SQRA finding for three projects, and that she anticipated that recipients of project grants would be announced by mid April.

**The next item on the agenda was the report of the Audit Committee.** Chairman Levy reported that all five Committees had adopted the minutes of their respective January 29, 2009 meetings; and had passed resolutions approving an internal audit work plan for fiscal year 2010 and the continued retention of Deloitte & Touche LLP for audit services, and reviewed

financial statement updates for the first quarter and the evaluations of the Audit Committees' performance.

**The next item on the agenda was the report of the Governance Committees.** Chairman Levy reported that the Governance Committee had adopted the minutes of its January 29, 2009 meeting and had been provided with self-evaluation forms by staff.

**The next item on the agenda was the adoption of the minutes of the 205<sup>th</sup> AHC Members' meeting held on March 4, 2009.** Ms. Phillips moved to adopt the AHC minutes; Mr. Jones seconded the motion; and the minutes were adopted unanimously.

**The next item on the agenda was a resolution adopting an amendment to the Administrative Budget for Cost Recovery Charges.** Joanne Hounsell, Senior Vice President and Deputy CFO, highlighted certain information contained in the materials provided to the Members in connection with this item, which materials are incorporated herein by reference. She explained that the budget amendment reflected an increase in the cost recovery fees that the State charged to authorities statewide. She noted that the Agencies had budgeted \$6.8 million for the fee based on prior years' charges, but that the actual charges received from the State's Division of the Budget had been for \$9.475 million. She clarified that the amendment was to update the budget to reflect the actual charges, not to approve the payment of the fee. Mr. Sheppard explained that these charges were established by the legislature and allocated by the Director of the Division of the Budget. Mr. Sheppard stated that he was comfortable with the Agencies' ability to meet their 2008-2009 obligations. Chairman Levy read from a Moody's report which had been distributed to Members highlighting concerns that increased charges by states facing economic difficulties to housing finance agencies during economic downturns could have negative effects on the agencies' bond ratings. The report was made part of the record of the minutes. He noted that SONYMA and HFA projections indicated decreased activity which would be reflected in less revenue, and expressed concern about the Agencies' ability to pay increased State fees without adverse impact in future fiscal years. Mr. L. Weinstock noted that because of the vagueness of the state process in determining the fees he was not in a position to pass on the appropriateness of the new amount. Ms. Almodovar noted that the Division of the Budget representation on the Agencies' boards meant the department was well aware of the potential impacts, and would be involved in discussion with the Agencies if their fiscal situation changed, with which Mr. Sheppard concurred. Mr. Sheppard noted that given the board's concerns, in the future, prior to determining cost recovery fees Division of the Budget would give the board adequate notice as to the proposed amount.

Ms. Phillips moved to adopt the resolution; Mr. Jones seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION 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 THE TOBACCO SETTLEMENT FINANCING CORPORATION ADOPTING AN AMENDMENT TO THEIR ADMINISTRATIVE BUDGET FOR FISCAL YEAR NOVEMBER 1, 2008 TO OCTOBER 31, 2009 AND THE**

**NEW YORK STATE HOUSING FINANCE AGENCY AND THE STATE OF NEW YORK MORTGAGE AGENCY ADOPTING AN AMENDMENT TO THEIR FINANCIAL PLANS FOR FISCAL YEARS 2009, 2010, 2011 AND 2012**

**The next item on the agenda was a resolution appointing Senior Vice President for Information Technology, Telecommunications, Facilities and Administrative Services.** Mr. Charles Rosenwald, CFO/COO, highlighted certain information contained in the materials provided to the Members in advance of the meeting, which information is incorporated herein by reference. He noted that this new position would combine the information technology and administrative departments under a single position, creating efficiencies from consolidation, and recommended the appointment of Edwin Bonilla.

Ms. Phillips moved to adopt the resolution; Mr. Jones seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY STATE OF NEW YORK MORTGAGE AGENCY STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND TOBACCO SETTLEMENT FINANCING CORPORATION APPOINTING EDWIN BONILLA AS SENIOR VICE PRESIDENT FOR INFORMATION TECHNOLOGY, TELECOMMUNICATIONS, FACILITIES AND ADMINISTRATIVE SERVICES.**

**The next item on the agenda was a resolution reviewing and approving the continued retention of Deloitte & Touche LLP for Audit Services.** Mr. Gary Weinstock, Vice President/Comptroller, highlighted certain information contained in the materials provided to the Members in advance of the meeting, which information is incorporated herein by reference. He reported that Deloitte has been under contract with the Agencies since 1999, and was chosen as a result of an RFP process in 1999 and again in 2004. Mr. G. Weinstock said Deloitte's contract with the Agencies was reviewed annually, and noted that the engagement letter from Deloitte was unchanged from the past year, except for the company's fee. He recommended retaining the firm for another year, and postponing the issuance of a new RFP until the financial market settled. He noted industry practice recommendations that recognize the efficiencies of retaining the same accounting firm while rotating the partner in charge of the account, and added that rotation of partners has occurred four times since the firm was brought on board.

Ms. Phillips moved to adopt the resolution; Mr. Jones seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION 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 APPROVING THE CONTINUED RETENTION OF DELOITTE & TOUCHE LLP FOR AUDIT SERVICES**

**The next item on the agenda was approval of a resolution authorizing making of SEQRA findings and information regarding Neighborhood Stabilization Program Projects.** Information with respect to these items was provided to the Members in advance of the meeting, which information is incorporated herein by reference. There was no discussion or questions on any of these items.

Ms. Phillips moved to adopt the resolution; Mr. Jones seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AND NEW YORK STATE AFFORDABLE HOUSING CORPORATION AUTHORIZING AND APPROVING ISSUANCE OF NEGATIVE DECLARATIONS WITH RESPECT TO CERTAIN NEIGHBORHOOD STABILIZATION PROGRAM PROJECTS AND CONFIRMING AUTHORIZATION FOR AWARDS IN RELATION THERETO**

**The next items on the agenda were consent items authorizing approval of contracts for temporary employee placement, employment advertising and payroll processing services.** Information with respect to these items was provided to the Members in advance of the meeting, which information is incorporated herein by reference. The items up for annual review included the Benefit Resource contract (E-TRAC services); ADP/Managistics for payroll processing services; and Mercer Health & Benefits actuarial valuation consulting services contract (GASB 45). Aida Brewer asked if her previous concerns about receiving assurance from ADP regarding the security of funds being held prior to disbursement had been resolved; Ms. Willig responded that she would follow up prior to the next board meeting.

Ms. Phillips moved to adopt the resolution; Mr. Jones seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY STATE OF NEW YORK MORTGAGE AGENCY AND NEW YORK STATE AFFORDABLE HOUSING CORPORATION AUTHORIZING APPROVAL OF CONTRACTS FOR TEMPORARY EMPLOYEE, EMPLOYMENT ADVERTISING AND PAYROLL PROCESSING SERVICES**

**The following items on the agenda were presented for informational purposes.** Information with respect to each of these items was provided to the Members in advance of the meeting, which information is incorporated herein by reference:

Annual Review of:

E.G. Bowman insurance brokerage agreement

Lincoln Life & Annuity Company of New York disability insurance agreement

Quarterly Procurement Contract Report for period commencing November 1, 2008 ending January 31, 2009. Ms. Rogatz commented on the procurement report, noting that while she appreciated the Agencies' efforts to open up the process, she felt that M/WBE

businesses were still not adequately represented in the Agencies contracts. Ms. Willig noted that the report reflected all contracts in place, and that while the procurement process was evolving it would take some time before current efforts would be reflected in the report.

Financial Statements Updates for the Third Quarter Fiscal 2008

Quarterly Investment Reports for the period ending December 31, 2008

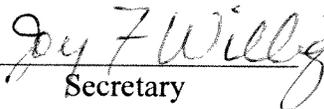
Report of Administrative Budget Expenditures for the First Quarter 2009 and Status Report of Financial Plans.

**The next item on the agenda was a resolution authorizing the award of grant funds for certain projects.** Dominic Martello, Vice President of Special Program Development, highlighted certain information contained in the materials provided to the Members in connection with this item, which materials are incorporated herein by reference. Authorization was requested for the award of grant funds in the total amount of \$1,975,000 for the new construction, rehabilitation, or improvement of an estimated 82 units, of which \$900,000 is attributable to an estimated 39 units located outside of the City of New York, and \$1,075,000 is attributable to an estimated 43 units located inside New York City.

Ms. Phillips moved to adopt the resolution; Mr. Jones seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION AUTHORIZING AWARDS OF GRANT FUNDS FOR CERTAIN PROJECTS LOCATED OUTSIDE OF THE CITY OF NEW YORK AND IN THE CITY OF NEW YORK.**

There being no unfinished business, Ms. Phillips moved to adjourn the meeting; Mr. Jones seconded the motion; and the meeting was adjourned at 11:15 a.m.

  
Secretary