

**MINUTES OF THE 410th MEMBERS' MEETING OF THE
NEW YORK STATE HOUSING FINANCE AGENCY
HELD ON SEPTEMBER 10, 2009 AT 1:38 P.M. AT
ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES:

PRESENT:

Judd S. Levy	Chairman
Deborah VanAmerongen	Member
Elaine McCann	Division of the Budget, representing Robert Megna, Member
Aida Brewer	Department of Taxation and Finance, representing Jamie Woodward, Member
Royce A. Mulholland	Member

ABSENT:

Karen A. Phillips	Member
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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 reflected only those items being considered by the Members of the New York State Housing Finance Agency. A record of items considered by other Agencies is contained in the minutes of each Agency respectively.

The first item on the agenda was the President's Report. Priscilla Almodovar, the Agencies' President and Chief Executive Officer, first reported the Agency had a full agenda of nine projects, eight of which were eligible for TCAP funds. She noted that the total amount of TCAP funds to be allocated was greater than the available \$65 million, and that the Agency would identify alternate subsidies for approved projects once all of the TCAP funds had been expended.

Ms. Almodovar next reported that a settlement, subject to passage by the county legislature, had been reached in the HUD antidiscrimination case against Westchester County concerning compliance with federal regulations regarding expenditure of housing funds. She noted that neither the State nor any of the Agencies were party to the suit, and added that she had made a presentation to the legislators regarding Agency programs which could be helpful in meeting the requirements of the settlement.

Ms. Almodovar next reported on another case that had been brought in Brooklyn federal court against New York State for violation of the Americans with Disabilities Act in regards to providing services for the mentally ill in adult homes. She noted the State had been ordered to prepare a remedial plan, and that the Agency had offered to help the Governor's Office of Mental Health in formulating solutions.

The next item on the agenda was the report of the Audit Committees. Chairman Levy reported that the Audit Committee had approved the minutes of the June 4, 2009 meeting; adopted a resolution approving the annual evaluation by the Audit Committees; reviewed the Independent Auditor's Presentation for Fiscal Year 2009 Audit; reviewed the second and third Quarters Fiscal 2009 Financial Statement Update; and reviewed the Authorities Budget office guidance on use of executive sessions.

The next item on the agenda was the report of the Governance Committees. Chairman Levy reported that Governance Committee had approved the minutes of the April 2, 2009 meeting; had adopted a resolution recommending approval of Minority and Women-Owned Business Enterprise Task Force Best Practices for procurement of legal services; had adopted a resolution recommending approval of the annual evaluation by the Governance Committees; and had reviewed the Authorities Budget Office Guidance on use of executive sessions.

The next item on the agenda was the approval of the minutes of the 411th HFA Members' meeting, held on August 13, 2009. There being no objections or corrections by the Members, the minutes were deemed approved.

The next item on the agenda was a resolution approving Fiscal Year 2010 Administrative Budget and Financial Plans. Joanne Hounsell, Senior Vice President and Deputy CFO, highlighted certain information contained in the materials provided to the Members in advance of the meeting, which information is incorporated herein by reference. She explained that the Board was being asked to approve the administrative budget for 2010, which starts November 2009. She noted that the plan complied with direction given by the Office of Taxpayer Accountability and achieved recommended cost reductions without negatively impacting the Agencies. In response to Member questions regarding allocation of personnel between Agencies, Ms. Hounsell noted shifts between the allocations to the different entities due to anticipated coverage needed for planned upcoming bond issues.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann 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 AGENCY ADOPTING AN ADMINISTRATIVE BUDGET FOR FISCAL YEAR NOVEMBER 1, 2009 TO OCTOBER 31, 2010 AND FINANCIAL PLANS FOR FISCAL YEARS 2010, 2011, 2012 AND 2013 WITH RESPECT TO THE NEW YORK STATE HOUSING FINANCE AGENCY AND STATE OF NEW YORK MORTGAGE AGENCY, AND THE NEW YORK STATE AFFORDABLE

HOUSING CORPORATION'S FINANCIAL PLAN FOR FISCAL YEARS 2011, 2012, 2013 AND 2014, AND PRELIMINARY CASH BUDGET FOR THE NEW YORK STATE HOUSING FINANCE AGENCY FOR FISCAL YEAR 2010

The next item on the agenda was a resolution approving Best Practices for procurement of legal services as per the Minority and Women-Owned Business Enterprise Task Force. Joy Willig, Senior Vice President and Counsel, highlighted certain information contained in the materials provided to the Members in advance of the meeting, which information is incorporated herein by reference. She described the efforts of the Governor's task force to develop guidelines for best practices to procure diverse talented cost-effective legal consulting services. She noted that NYHomes and a number of other state entities had participated in developing the practices, and highlighted procedures for ensuring distribution of work and evaluation of providers. In response to an inquiry by Mr. Levy, Ms. Willig confirmed that these were guidelines and would allow staff to continue to procure legal services appropriate to the Agency's needs.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann 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 ADOPTING THE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE RECOMMENDATIONS REGARDING LEGAL SERVICES

The next item on the agenda was approval of a resolution approving the third annual evaluation by the Governance Committees. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. There was no discussion or questions on this item.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann 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 CONCERNING SELF-EVALUATION

The next item on the agenda was approval of a resolution approving the third annual evaluation by the Audit Committees. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. Ms. Almodovar noted that the one weakness the Audit Committees had identified in their self-evaluations was a lack of sufficient training to update them on evolving responsibilities

in the changing economic climate, and had therefore recommended increasing the time scheduled for those meetings in order to incorporate more education to keep the Members current.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann 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 CONCERNING SELF-EVALUATION

The next item on the agenda was approval of a resolution approving financial printing services contract with Image Master Inc. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. There was no discussion or questions on this item.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann 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 APPROVING THE ENTERING INTO OF CONTRACTS WITH IMAGE MASTER INC. FOR FINANCIAL PRINTING SERVICES

The next item on the agenda was approval of a resolution approving the Quarterly Bond Sale Reports. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. The Members had no questions or issues to discuss regarding this item.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann 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 APPROVING THE AGENCIES' BOND SALE REPORTS

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:

Financial Statement Update for the Second and Third Quarter Fiscal Year 2009

Report of Administrative Budget Expenditures for the Second Quarter, 2009

Report of Administrative Budget Expenditures for the Third Quarter, 2009

Annual review of contracts with firms on the Agencies' non-bond counsel panel and the Agencies' Legal Services contract with Hitsman, Hoffman & O'Reilly

Quarterly Investment Reports

The next item on the agenda was a resolution authorizing financing approval for Hegeman Residence located 39 Hegeman Avenue, Brooklyn, Kings County. David Walsh, Senior Vice President of Multifamily Housing, highlighted certain information contained in the updated materials provided to the Members at the meeting in connection with this item, which are incorporated herein by reference. Mr. Walsh noted that the structure of this project was unique for the Agency, which usually provides the permanent post-construction financing for projects. This supportive housing project will not be able to provide sufficient income to support debt service after construction was completed due to the economics of the formerly homeless population that it will serve. He noted that consequently it was anticipated that the bonds will be issued only to cover the construction period and will be repaid from tax credit proceeds, and that the repaid bond proceeds would become available for use on another affordable project.

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

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS HEGEMAN AVENUE RESIDENCE

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF HEGEMAN AVENUE RESIDENCE HOUSING REVENUE BONDS

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF HEGEMAN AVENUE RESIDENCE HOUSING REVENUE BONDS, 2009 SERIES A, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$24,750,000

The next item on the agenda were resolutions authorizing issuance of Affordable Housing Revenue Bonds to finance certain affordable housing projects and to fund a debt service reserve fund, the making of first mortgage loans and subordinate loans, the adoption of SEQRA and other statutory findings, the allocation of Low Income Housing Tax Credits and TCAP. Mr. Walsh highlighted certain information contained in the updated materials provided to the Members at the meeting in connection with this item, which are incorporated herein by reference. The projects included for authorization were Parkside Commons, Pine Harbor Apartments, Genesis Neighborhood Plaza II, Grant Park Apartments, Bedell Terrace, Ogden Heights Senior Housing, The Gardens Apartments, and F.I.G.H.T. Village Apartments. Mr. Mulholland voiced concerns about the tax credit syndicator for the

Bedell project; Ms. VanAmerongen responded that the investor had been involved in a number of DHCR projects, and there had been no issues; Ms. Almodovar concurred for involvement in HFA projects. Mr. Mulholland asked about the rate for the low income housing tax credits for FIGHT Village; Ms. VanAmerongen responded that the rate was comparable to other upstate projects in the current market.

The resolutions for the seven projects were moved on and voted on together. Mr. Mulholland abstained.

Ms. VanAmerongen moved to adopt the resolution; Ms. McCann seconded the motion; and the following resolutions were adopted:

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS PARKSIDE COMMONS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$16,200,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS PINE HARBOR APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$13,000,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS GENESIS NEIGHBORHOOD PLAZA II

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$22,250,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS THE GRANT PARK APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$24,200,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS BEDELL TERRACE APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$24,600,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS OGDEN HEIGHTS SENIOR APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$7,821,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS THE GARDENS APARTMENTS

A SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A PRINCIPAL AMOUNT NOT EXCEEDING \$14,000,000

AN OMNIBUS RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE FINANCING OF THE PROJECT KNOWN AS F.I.G.H.T VILLAGE APARTMENTS

SUPPLEMENTAL RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING THE ISSUANCE OF AFFORDABLE HOUSING REVENUE BONDS, 2009 SERIES __, IN A

PRINCIPAL AMOUNT NOT EXCEEDING \$13,625,000

The next item on the agenda was a resolution authorizing and approving a waiver of the low-income housing tax credit per unit eligible basis limit with respect to Clinton Green North and Clinton Green South from the limit effective in 2005 to the current limit. Mr. Walsh highlighted certain information contained in the materials provided to the Members in advance of the meeting, which information is incorporated herein by reference. He explained that because this project had been rented during the height of the financial crisis last fall that the Agency recommended that the per unit tax credit cap that had been in effect at the time of the project approval be waived, and that the subsequently adopted cap be applied to this project.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUTHORIZING AND APPROVING THE WAIVER OF THE LOW-INCOME HOUSING TAX CREDIT PER UNIT ELIGIBLE BASIS LIMIT WITH RESPECT TO CLINTON GREEN NORTH AND CLINTON GREEN SOUTH.

The next item on the agenda was a resolution approving retention of Neighborhood Housing Services of New York City, Inc. to serve as administrative agent of the Landlord One Loan Program, formerly the Small Owners Assistance Pilot Program. Ms. Zucker highlighted certain information contained in the materials provided to the Members in advance of the meeting, which information is incorporated herein by reference. Ms. Zucker explained that there was little demand for the particular type subsidy offered which applied only to building of under twenty units. She added that the Agency wanted to extend the opportunity to distribute these funds.

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

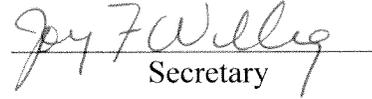
A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY APPROVING THE RETENTION OF NEIGHBORHOOD HOUSING SERVICES OF NEW YORK CITY, INC. TO SERVE AS ADMINISTRATIVE AGENT OF THE LANDLORD ONE LOAN PROGRAM (FORMERLY, THE SMALL OWNERS ASSISTANCE PILOT PROGRAM).

The next item on the agenda was a resolution approving the contract with SS&C Technologies and review of the Memorandum of Understanding with New York State Office of Parks, Recreation and Historic Preservation and the Natural Heritage Trust. Information with respect to this item was provided to the Members in advance of the meeting, which information is incorporated herein by reference. The Members had no questions or issues to discuss regarding this item.

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

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE
AGENCY AUTHORIZING THE CONTINUATION OF THE CONTRACT
WITH SS&C TECHNOLOGIES FOR THE PROVISION OF A LICENSE
FOR CASH FLOW ANALYSIS SOFTWARE**

There being no unfinished business, Ms. VanAmerongen moved to adjourn the meeting; Ms. McCann seconded the motion; and the meeting was adjourned at 3:38 PM.


Secretary