

**MINUTES OF THE 72<sup>nd</sup> DIRECTORS' MEETING OF THE  
STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY  
HELD ON APRIL 8, 2010 AT 1:38 P.M. AT  
ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Elaine McCann	Division of the Budget, representing Robert Megna, Director
Susan L. Watson	State of New York Department of the State, Representing Lorraine Cortes-Vasquez, Director
Andrew A. SanFilippo	Director
Kenneth M. Bialo	Vice Chairman
William Myers	Director
Naomi Bayer	Director

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 Directors of the Municipal Bond Bank Agency. A record of items considered by other Agencies is contained in the minutes of each Agency respectively.

Judd S. Levy, the Agencies Chairman, reported that MBBA is planning another bond issue in May through the American Recovery and Reinvestment Act (ARRA) program. Mr. Levy also welcomed two new Directors to the MBBA board, William Myers and Naomi Bayer, who are already Directors of the SONYMA board.

Mr. Levy mentioned that the New York State Housing Finance Agency would be celebrating its 50<sup>th</sup> Anniversary on April 29<sup>th</sup>, 2010 at the luncheon held at the New York State Affordable Housing Finance Association, and that he hoped that all Board Directors and Directors would be in attendance.

**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

January 28, 2010 meeting, adopted a resolution approving the Internal Audit Internal Audit Work Plan for 2011, adopted a resolution approving the Disaster Recovery Audit Reports, reviewed the evaluation of the Audit Committee's performance, reviewed Office of the State Comptroller's Follow-Up Report #2010-F-4 on Eligibility for Health Insurance Coverage, reviewed Office of the State Comptroller's Follow-Up Report #2010-F-5 on accuracy of Employee Retirement Reporting.

**The next item on the agenda was the report of the Governance Committees.** Chairman Levy reported that the Governance Committee had, approved the minutes of the January 28, 2009 meeting, adopted a resolution recommending approval of Equal Employment Opportunity and Affirmative Action Plans, approved the Property Disposition Report, adopted a resolution recommending the approval of a Mission Statement, and were provided with materials for the self-evaluation of the Governance Committees.

**The next item on the agenda was the approval of the minutes of the 71<sup>st</sup> Directors' meeting for MBBA held on January 28, 2010.**

There being no objections or corrections by the Directors, the minutes were deemed approved.

**The next item on the Agenda was a Resolution appointing Brian Lawlor as President and Chief Executive Officer of the Agencies.** Mr. Levy highlighted certain Information contained in the materials provided to the Directors in connection with this item under a separate cover, which is incorporated herein by reference. Mr. Levy noted that Mr. Lawlor had already been appointed by Governor David Patterson as Commissioner of the Division of Housing and Community Renewal and that he has extensive and laudable experience at DHCR. Mr. Levy requested a resolution appointing Mr. Lawlor to the position of President and Chief Executive Officer and authorizing the Chairman to set the compensation which would not exceed the compensation received by Priscilla Almodovar at the time of her resignation. The Directors added their congratulations to those of Mr. Levy and shared positive experiences from their past work with Mr. Lawlor.

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

**A RESOLUTION OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY APPROVING THE APPOINTMENT OF BRIAN LAWLOR AS PRESIDENT AND CHIEF EXECUTIVE OFFICER.**

**The next item, which was added to the Agenda at the request of the Directors, was to approve a Resolution thanking Judd S. Levy for his service as Acting President and Chief Executive Officer.** The Directors read the resolution attached hereto. The Directors expressed gratitude for Mr. Levy's service as Acting President and CEO. Mr. Lawlor commended Mr. Levy for his devoted service to the

Agencies and for his skilled leadership. Mr. Levy noted how proud he is of the accomplishments of the Agencies and highlighted the success of the Agencies in the past two years especially given the difficulties experienced by housing financing agencies across the country.

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

**A RESOLUTION OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY THANKING JUDD S. LEVY FOR HIS SERVICE AS PRESIDENT AND CHIEF EXECUTIVE OFFICER.**

**The next item on the Agenda was a Resolution reviewing and approving Equal Employment Opportunity and Affirmative Action Plans.** Information with respect to each of these items was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors had no questions or issues to discuss regarding this item.

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

**A RESOLUTION OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY APPROVING EQUAL EMPLOYMENT**

**The next item on the Agenda was a Resolution approving the Property Disposition Report.** Information with respect to each of these items was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors had no questions or issues to discuss regarding this item.

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

**A RESOLUTION OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY APPROVING THE PROPERTY DISPOSITION REPORT.**

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

**Quarterly Procurement Contract Report for period ending January 31, 2010**

**Report of Administrative Budget Expenditures for the First Quarter as of January 31, 2010.**

**Annual Review for:** E.G. Bowman insurance brokerage agreement

**Quarterly Investment Reports for the period ending January 31, 2010**

**The next item on the Agenda was a Resolution approving the MBBA Mission Statement.** Arlo Chase, Senior Vice President, highlighted certain Information contained in the materials provided to the Directors in connection with this item under a separate cover, which is incorporated herein by reference. Kenneth Bialo reiterated the comments which he made during the Governance Committee Meeting suggesting that the Mission Statement should include a reference to the purpose of MBBA according to the original Agency Act, which was to assist municipalities which would not otherwise be able to borrow. The Directors and Directors discussed the relationship between the original Agency Act and the Mission Statement and concluded that the Mission Statement as originally presented corresponded with the current mission of the Agency.

Ms. McCann moved to adopt the resolution; Mr. SanFilippo seconded the motion; and the following resolution was adopted with six Directors voting in favor and one voting against.

**A RESOLUTION OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY APPROVING THE AGENCY MISSION STATEMENT.**

**The next item on the Agenda was a Resolution authorizing the issuance of Recovery Act Bonds (MBBA)** Ms. Marian Zucker, Executive Vice President, highlighted certain information contained in the materials provided to the Directors in connection with this item in advance of the meeting, which is incorporated herein by reference. George Graham, Senior Vice President, noted that the issue would be a combination of tax exempt bonds and taxable bonds which provide for a subsidy through the federal ARRA program. He explained that certain projects proposed by the municipalities did not qualify for the federal subsidy under ARRA and that in certain cases the Agency found that it would be more cost effective to issue tax exempt bonds. Andrew SanFilippo inquired if staff was expecting strong demand for this bond issue. Mr. Graham responded that strong demand was expected. Mr. Bialo noted that although he had voted against the issuance and that he was still concerned about excessive borrowing by municipalities, since the issuance had previously been approved; his vote now reflected that the issuance met the criteria for such issuances.

**A RESOLUTION OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$150,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS RECOVERY ACT BONDS, TO FINANCE THE ACQUISITION OF LOCAL ARRA BONDS ISSUED BY MUNICIPALITIES, AND TO PAY COSTS OF ISSUANCE OF THE SERIES 2010 BONDS; APPROVING THE FORM OF SOME OF THE FOLLOWING AND IN ALL CASES AUTHORIZING THE ADOPTION OR EXECUTION AND DELIVERY OF (A) ONE OR MORE SERIES RESOLUTIONS, (B) A PRELIMINARY OFFICIAL STATEMENT, (C) A FINAL**

**OFFICIAL STATEMENT, (D) ONE OR MORE BOND PURCHASE AGREEMENTS AWARDED THE SALE OF THE 2010 SERIES BONDS TO JEFFERIES & COMPANY, INC., SENIOR MANAGING UNDERWRITER, AS REPRESENTATIVE OF THE UNDERWRITERS, (E) A CONTINUING DISCLOSURE AGREEMENT, (F) A LOCAL ARRA BOND PURCHASE AGREEMENT WITH EACH PARTICIPATING MUNICIPALITY, AND (G) A MEMORANDUM OF UNDERSTANDING BETWEEN THE AGENCY AND THE COMPTROLLER OF THE STATE OF NEW YORK; PROVIDING FOR THE SELECTION OF A TRUSTEE AND A BOND REGISTRAR, THE SPECIFICATION OF THE MAXIMUM INTEREST RATES, MATURITY DATES, AND REDEMPTION TERMS OF THE SERIES 2010 BONDS; AUTHORIZING PERMITTED INVESTMENTS; AUTHORIZING CERTAIN OFFICERS OF THE AGENCY TO DO ALL ACTS NECESSARY, CONVENIENT OR DESIRABLE FOR CARRYING OUT THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AUTHORIZING THE AGENCY TO RETAIN CERTAIN ADVISORS, INCLUDING THE NEW YORK STATE ASSOCIATION OF COUNTIES; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.**

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

**Periodic Report of Agency Administration of Ethics Policies.**

**Financial Statement Update for the First Quarter Fiscal 2010.**

There being no unfinished business, Ms. McCann moved to adjourn the meeting; Mr. SanFilippo seconded the motion; and the meeting was adjourned at 2:15 PM.

  
Secretary