

**MINUTES OF THE 219th MEMBERS' MEETING OF THE
NEW YORK AFFORDABLE HOUSING CORPORATION
HELD ON SEPTEMBER 14, 2010 AT 2:36 P.M. AT
ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES:

PRESENT:

Judd S. Levy	Chairman
Karen A. Phillips	Vice Chairperson
Brian Lawlor	Member
Royce A. Mulholland	Member
Elaine McCann	Division of the Budget, representing Robert Megna, Member (via video conference)
Aida Brewer	Taxation & Finance, representing Jamie Woodward, Acting Commissioner, Member (via video conference)

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 Member of the Affordable Housing Corporation. 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. Brian E. Lawlor, President and Chief Executive Officer, stated that he would be presenting the Agencies' integration plan on September 22nd, noting that the plan would incorporate the ideas of stakeholders throughout the state. Next he announced the implementation of a staffing plan aimed at maximizing resources through consolidation into three primary program areas, and naming Marian Zucker as the head of finance and development, Joe Rabito as head of community renewal and Mike Skrebutenas as head of housing preservation. He added that Joy Willig will head a professional support unit that will coordinate services needed by each programmatic group. Next he reported on changes by the Treasury Department to the New Issue Bond Program that would allow the Agency to lower rates for mortgages for the multifamily deals scheduled to close by year end. He reported that Moody's had downgraded ratings industry wide, including ratings for SONYMA's single family program, and added that staff would be meeting with the rating agency to discuss potential Agency policy changes.

The next item on the agenda was the report of the Audit Committee. Chairman Levy reported that the committee had approved the minutes of its Audit Committee meeting held on June 10, 2010, adopted a resolution approving Internal Audit's Debt Issuance Audit Report, adopted a resolution recommending approval of the fourth annual evaluation by the Audit Committees, reviewed information on the Independent Auditor's (Ernst & Young) presentation, and reviewed information on Financial Statement Update for the First Quarter Fiscal 2011.

The next item on the agenda was the report of the Governance Committee. Chairman Levy reported that the committee had approved the minutes of Governance Committee meeting held on June 10, 2010, adopted a resolution recommending approval of the Fourth Annual Evaluation by the Governance Committees, and adopted a resolution recommending approval of revised Procurement and Contract Guidelines.

The next item on the agenda was the approval of the minutes of the 218th AHC Members' meeting, held on July 15, 2010. There being no objections or corrections by the Members, the minutes were deemed approved.

The next item on the agenda was the approval of a resolution approving revisions to the Agencies' Procurement and Contract Guidelines. Alejandro Valella, Deputy Counsel, highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. He stated that legislation passed this past summer affected the rules governing procurement access for minority and women owned firms, which passage would require certain updates to procurement policies and allow for other changes at the discretion of the Agency. He reported on the Governance Committee discussion regarding a provision that allows for purchases of goods and services from certified firms without competitive bidding for amounts up to \$200,000, adding that the committee had recommended amending the resolution to reduce this amount to \$100,000 to align with current limits for contracting requiring board approval

Mr. Mulholland moved to adopt the resolution as amended; Ms. Phillips 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, THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND THE TOBACCO SETTLEMENT FINANCING CORPORATION ("THE AGENCIES") APPROVING CHANGES TO THE AGENCIES' CONSOLIDATED PROCUREMENT AND CONTRACT GUIDELINES

The next item on the agenda was the approval of a resolution approving the FY 2011 Administrative Budget Request and Financial Plans. Joanne Hounsell, acting CFO, highlighted certain information contained in the materials provided to the Members in connection with this item in advance of the meeting, which is incorporated herein by reference. She reported that most of the increases over the previous year's budget request were for non-discretionary items, including payments to the State of a \$3.5 million Extraordinary Expense and increased authority cost recovery fees. She added that the Agency had achieved reductions in

some of its discretionary expenditures, and expected that expenditures for discretionary expenditures for investment advisor fees and technology costs for the single family programs would yield saving in excess of their costs.

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

RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY STATE OF NEW YORK MORTGAGE AGENCY AND NEW YORK STATE AFFORDABLE HOUSING CORPORATION ADOPTING AN ADMINISTRATIVE BUDGET FOR FISCAL YEAR NOVEMBER 1, 2010 TO OCTOBER 31, 2011 AND FINANCIAL PLANS FOR FISCAL YEARS 2011, 2012, 2013 AND 2014 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 PLANS FOR FISCAL YEARS 2012, 2013, 2014 AND 2015, AND PRELIMINARY CASH BUDGET FOR THE NEW YORK STATE HOUSING FINANCE AGENCY FOR FISCAL YEAR 2011

The next item on the agenda was the approval of a resolution approving the Fourth 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. There was no discussion or questions on this item.

Mr. Mulholland moved to adopt the resolution; Ms. Phillips 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 the approval of a resolution approving the Fourth 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.

Mr. Mulholland moved to adopt the resolution; Ms. Phillips 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 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 First Quarter Fiscal 2011.

Report of Administrative Budget Expenditures for the Third Quarter, 2010.

Review of Agencies' Quarterly Investment Reports.

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

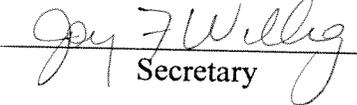
Review of Third Quarterly Procurement Contract Report for the period ending July 31, 2010.

The next item on the agenda was a resolution authorizing award of grant funds for certain projects located outside the City of New York and in the City of New York. 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.

Mr. Mulholland moved to adopt the resolution; Ms. Phillips 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. Lawlor seconded the motion; and the meeting was adjourned at 5:11 PM.


Secretary