

**MINUTES OF THE MEETING OF THE
76TH STATE OF NEW YORK MORTGAGE AGENCY
MUNICIPAL BOND BANKING AGENCY
HELD ON OCTOBER 7, 2010 AT 1:00 P.M.
AT THEIR OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS/MEMBERS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Kenneth M. Bialo	Director
Naomi Bayer	Director
William Myers	Director
Andrew A. SanFilippo	Director
Elaine McCann	Division of the Budget, representing Robert Megna, Director, Via Video Conference

Chairman Levy chaired the meeting; Joy F. Willig, Senior Vice President and Counsel, acted as secretary.

The first item on the agenda was the approval of the minutes of the 75th MBBA meeting, held on September 14, 2010. There being no objections or corrections by the Directors, the minutes were deemed approved.

The next item on the agenda was the approval of a resolution authorizing the issuance of Recovery Act Bonds. George Graham, Senior Vice President for Debt Issuance, highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. Mr. Graham requested that the Board approve the issuance of up to \$150,000,000 of Recovery Act Bonds, noting that this was potentially the last issuance under this program. Mr. Graham anticipated that the issue will be below the \$150,000,000 allowance. He distributed information on which municipalities would be borrowing and for what projects. Mr. Graham remarked that the loan process has become much smoother due to the experience gained through the previous issuances. Mr. Graham mentioned he expected to mail a Preliminary Official Statement a week after Public Authorities Control Board (PACB) approval and to market bonds in the second week of November. In response to a question from Mr. Bialo, Mr. Graham explained that the PACB

would not approve the issuance of these bonds without the Board's prior approval. Chairman Levy asked about the fees associated with the issue. Mr. Graham replied that there were two fees, a financing fee and an ongoing servicing fee of eleven basis points on the outstanding principal balance that had been calculated to cover MBBA's administrative costs. Chairman Levy stated he thought the resolution should be amended to indicate that a minimum fee of 11 basis points would be charged on any issues going forward.

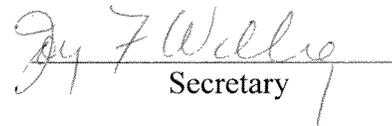
With the resolution being amended to incorporate the minimum fees, Mr. Meyers moved to approve the motion, Mr. Lawlor seconded the motion. The following resolution was adopted, with Mr. Bialo voting against it due to his previously expressed objections to the program:

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, TO CHARGE A FEE NO LESS THAN 11 BASIS POINTS FOR THE STATE OF NEW YORK MUNICIPAL BOND BANK'S ROLE, 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 item on the agenda was an information item regarding the emergency communication systems. Mr. Graham briefed the board on the new state legislation that provides subsidies to counties implementing public safety communications systems and amending the MBBA statute to finance this program. Mr. Bialo noted that he supported

subsidizing such projects, and only opposed reduced-rate loans when it would encourage municipalities and counties to incur debt that they would not otherwise need to incur.

There being no unfinished business, Chairman. Levy moved to adjourn the meeting; Mr. Myers seconded the motion; and the meeting was adjourned at 1:26 PM.


Secretary