

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE  
STATE OF NEW YORK MORTGAGE AGENCY  
HELD ON DECEMBER 1, 2011, AT 2:36 P.M.  
AT ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Karen A. Phillips	Vice Chairperson
Naomi Bayer	Member
Don Lebowitz	Director
Marge Rogatz	Director
David J. Sweet	Director
Darryl C. Towns	Member
Elaine McCann	Division of the Budget, representing Robert Megna, Member (via video conference)

Vice Chairperson Phillips chaired the meeting; Alejandro J. Valella, Vice President and Deputy Counsel, acted as secretary. The meetings of the Affiliated Agencies opened in joint session for consideration of matters of shared importance. These minutes reflect only those items being considered by the Directors of the State of New York Mortgage Agency. A record of items considered by other Agencies is contained in the minutes of each Agency respectively.

**The first item was the report of the Audit Committee.** Vice Chairperson Phillips reported that the Audit Committee took the following actions:

- Adopted Minutes;
- Approved the Audit Committee Action Plan for 2012;
- Approved the Internal Audit Staff Functions;
- Approved the Internal Audit's Information Technology Audit Report;
- Recommended for approval the response to the State Banking Department Report [SONYMA];
- Approved the Servicer Audit of M&T Bank
- Approved the Servicer Audit of Astoria Federal Savings Bank

Vice Chairperson Phillips noted that the resolution approving the revised Whistleblower Policy was tabled.

**The next item was the President's Report.** Commissioner Towns emphasized that it was a busy time at the Agencies. He said that the Agencies are focused on ending the year strong. He noted that January's meeting will reflect the Agencies work with the Regional Economic Development Councils. He also wished everybody Happy Holidays.

**The next item on the agenda was the report of the Mortgage Insurance Committee.** Vice Chairperson Phillips reported that the Mortgage Insurance Committee had approved the minutes of its meeting held on November 9, 2011, and had passed resolutions approving mortgage insurance for the following projects:

- 50% mortgage insurance for Greene Avenue Senior Apartments, Kings County;
- 50% mortgage insurance for St. Luke's Senior Apartments, Bronx County;
- 50% mortgage insurance for Borinquen Court, Bronx County;
- 50% mortgage insurance for CABS Housing, Kings County;
- 100% mortgage insurance for Wood Creek Apartments, Oneida County;
- 100% mortgage insurance for Underhill Apartments, Westchester County;
- 100% mortgage insurance for 916, 920, 924, 928 and 935 Kelly Street, Bronx County;
- 100% mortgage insurance for Tivoli Park Apartments, Albany County; and
- 100% mortgage insurance for 54 East 161<sup>st</sup> Street and 1496, 1500, 1504 Longfellow Avenue, Bronx County.

**The next item on the agenda was the approval of the minutes of the Director's meeting held on November 9, 2011.** There were no objections or corrections by the Director therefore the minutes were deemed approved.

**The next item on the agenda was a resolution authorizing the approval of the Whistleblower Policy.** This item was tabled for discussion at a later date.

**The next item on the agenda was a resolution authorizing the approval of the Agencies' MWBE Goal Plan for FY 2012-2013.** This item was a consent item therefore the Directors did not discuss it. Vice Chairperson Phillips did commend the Agencies' aggressive goals and acknowledged the Agencies' hard work in developing this Plan.

Naomi Bayer moved to adopt the resolution; Don Lebowitz 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 THE STATE OF NEW YORK MUNICIPAL BOND**

**BANK AGENCY APPROVING EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION 2012-2013 MASTER GOAL PLANS.**

The next item on the agenda was a resolution authorizing the approval to enter into Financial Advisor Services contracts with firms on the Agencies' newly established prequalified panel. MBBA Director Andrew SanFilippo asked about the criteria that the Agencies used to arrive at the selection of these firms and George Graham, Senior Vice President of Debt Issuance, responded. George Graham first explained the Agencies' outreach process. He noted that about twelve firms responded to the outreach. He then outlined that the Agencies formed a Committee to review the responses and that its criteria included the firms' experience and qualifications in public finance, the firms' specific expertise in affordable housing finance, as well as the firms' location and costs. Marian Zucker, President of the Office of Finance and Development, also emphasized that this was the criteria used by the Committee.

MBBA Director Andrew SanFilippo followed up by inquiring whether there was a scoring sheet because he wanted to see what criteria was emphasized most. Mr. Graham and Ms. Zucker said that a scoring sheet existed and that it placed a heavy emphasis on experience. MBBA Director Andrew SanFilippo then stated that the staff should provide the Board of Directors with the scoring sheet results in the future.

HFA Member Thomas Mattox then asked whether adopting this resolution was time sensitive and whether the Board of Directors could wait to see the scoring sheet before voting. MBBA Vice Chairman Bialo interjected by asking whether this established panel would permit the Agencies to do the work that needed to be done. Ms. Zucker answered assertively that this range of financial advisors would permit the Agencies to do the necessary work. She emphasized that this panel of financial advisors provided a range of different experience that would prove helpful. Several Members and Directors then noted that in the future they should be provided with the scoring sheet results.

Naomi Bayer moved to adopt the resolution; Don Lebowitz 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 A CONTRACTS WITH FIRMS ON THE AGENCIES' PREQUALIFIED PANEL FOR FINANCIAL ADVISOR SERVICES.**

The next item on the agenda was a resolution authorizing the approval of Quarterly Bond Sale Reports (for the period commencing 8/1/11 and ending 10/31/11) and Annual Bond Sale Reports (for the period commencing 11/1/10 and ending 10/31/11). This item was a consent item therefore the Directors did not discuss it.

Marian Zucker noted that the Annual Bond Sale Report incorrectly states that the Agencies issued approximately \$1.6 billion and that the Report should be corrected to state that the Agencies issued approximately \$2.4 billion.

Naomi Bayer moved to adopt the resolution; Don Lebowitz 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 next item on the agenda was an information item on the annual review of contracts with the Agencies' External Independent Auditor.** No action was required on this item because it was an information item.

**The next item on the agenda was a resolution authorizing the approval of 50% mortgage insurance on a \$13,300,000 HDC permanent first mortgage loan for the rehabilitation of Greene Avenue Senior Apartments.** This item had been approved by the Mortgage Insurance Committee earlier in the day. Michael Friedman, the Senior Vice President and Director of the Mortgage Insurance Fund, made himself available to discuss any further issues. There were no additional questions or comments from the Directors in connection with this item.

Naomi Bayer moved to adopt the resolution; Marge Rogatz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR GREENE AVENUE SENIOR APARTMENTS, BROOKLYN, KINGS COUNTY.**

**The next item on the agenda was a resolution authorizing the approval of 100% mortgage insurance on an \$8,300,000 JPMorgan Chase permanent first mortgage loan for the rehabilitation of Wood Creek Apartments.** This item had been approved by the Mortgage Insurance Committee earlier in the day. Michael Friedman made himself available again to discuss any further issues. There were no additional questions or comments from the Directors in connection with this item.

Naomi Bayer moved to adopt the resolution; Marge Rogatz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR WOOD CREEK APARTMENTS, 23 WOOD CREEK DRIVE, ROME, ONEIDA COUNTY.**

The next item on the agenda was a resolution authorizing the approval of 100% mortgage insurance on a \$7,652,000 CPC permanent first mortgage loan for the acquisition and rehabilitation of Tivoli Park Apartments, Albany County. This item had been approved by the Mortgage Insurance Committee earlier in the day. Michael Friedman made himself available again to discuss any further issues. There were no additional questions or comments from the Directors in connection with this item.

Naomi Bayer moved to adopt the resolution; Marge Rogatz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR TRIVOLI PARK APARTMENTS, 421 LIVINGSTON AVENUE, ALBANY, ALBANY COUNTY.**

The next item on the agenda was a resolution authorizing the approval of \$100 million increase in MIF's SONYMA Single Family Pool Insurance Policy and Extension through 12/31/12. This item was a consent item therefore the Directors did not discuss it.

Marge Rogatz moved to adopt the resolution; Naomi Bayer seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE EXTENSION AND INCREASE OF THE MORTGAGE INSURANCE FUND'S POOL INSURANCE POLICY FOR THE SONYMA SINGLE FAMILY PROGRAM AND APPROVING AN INCREASE IN THE MORTGAGE INSURANCE FUND REQUIREMENT.**

The next item on the agenda was a resolution authorizing the approval of a new Trustee for SONYMA Mortgage Revenue Bond Resolution. This item was a consent item therefore the Directors did not discuss it.

Marge Rogatz moved to adopt the resolution; Naomi Bayer seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE ENTERING INTO A CONTRACT WITH US BANK NATIONAL ASSOCIATION FOR TRUSTEE SERVICES.**

The next item on the agenda was a resolution authorizing the approval of the response to the State Banking Department Report. This item was a consent item therefore the Directors did not discuss it.

Marge Rogatz moved to adopt the resolution; Naomi Bayer seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE STATE DEPARTMENT OR FINANCIAL SERVICES EXAMINATION REPORT FOR FISCAL YEAR 2010 AND APPROVING MANAGEMENT RESPONSE.**

The next item on the agenda was a resolution authorizing the approval of a contract with Genworth Mortgage Insurance Corporation ("Genworth") for Administrative and Underwriting Services. This item was a consent item therefore the Directors did not discuss it.

Marge Rogatz moved to adopt the resolution; Naomi Bayer seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE CONTINUATION OF AN ADMINISTRATIVE SERVICES CONTRACT WITH GENWORTH MORTGAGE INSURANCE CORPORATION.**

The next item on the agenda was an information item on the 6<sup>th</sup> Annual Report of the Financial Status of Existing Hedges. No action was required on this item because it was an information item.

There being no unfinished business, Don Lebowitz moved to adjourn the meeting; Vice Chairperson Phillips seconded the motion; and the meeting was adjourned at 3:04 P.M.

  
Secretary