

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY**

July 21, 2009

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on July 21, 2009 at approximately 10:30 a.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present:

Mark Page, Director of Management and Budget of The City of New York; (the “City”);

and

the following directors were represented by their designees:

William C. Thompson, Jr., Comptroller of the City, represented by Carol Kostik;

Christine C. Quinn, Speaker of the City Council, represented by Raymond Majewski;

Michael Hyman, Acting Commissioner of Finance of the City, represented by Dara Jaffee; and

David Burney, Commissioner of the Department of Design and Construction of the City, represented by Jeff Bonne;

constituting a quorum of the Board. Uyen Nguyen served as secretary of the meeting.

Also in attendance were members of the public, officers of the Authority, and employees of various agencies of the City and the State.

The meeting was called to order by Mr. Page.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Board of Directors which occurred on May 29, 2009. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved:

WHEREAS, the Board of Directors of the New York City Transitional Finance Authority has reviewed the minutes of its meeting held on May 29, 2009; it is therefore

RESOLVED, that the minutes of the meeting of May 29, 2009 be, and they hereby are, approved.

Report of Executive Director

The second item on the agenda was the report of the Authority's Executive Director. Alan Anders, Executive Director of the Authority, briefly described a situation regarding the Authority's error in calling approximately \$3 million of its non-callable, Fiscal 1999 Series C bonds on May 1, 2009. Mr. Anders explained that the Authority has not received any complaints from investors but plans to make the investors whole by paying in advance the remaining interest payments to which they would be entitled had the bonds not been called. The Authority has directed BNYM to take the appropriate actions and contact investors to inform them of the resolution of this issue. A brief discussion ensued. Mr. Anders explained that the Authority will be issuing Future Tax Secured Bonds this week. Mr. Anders explained that the Authority recently received authorization from the New York State legislature to issue additional Future Tax Secured Bonds, and described the terms of such authorization.

Resolution to Approve Fiscal 2010 Series A-1 and A-2 Future Tax Secured Bonds

The third item on the agenda was the authorization of the Authority's Future Tax Secured Bonds, Fiscal 2010 Series A-1 and A-2 (the "Bonds"). Mr. Page briefly described the

features of the Bonds provided for in the Forty-Ninth Series Resolution Authorizing the Issuance of Up to \$1,000,000,000 Future Tax Secured Bonds of the Authority (a copy of which is attached hereto as Appendix A). A motion was made to approve the Forty-Ninth Series Resolution. The motion was seconded and, there being no objections, duly adopted.

Resolution to Approve Extension of Financial Advisor Contracts

The fourth item on the agenda was the authorization of extensions of the Financial Advisor (“FA”) contracts. Mr. Page explained that the Authority currently has FA contracts with Public Resources Advisory Group and A.C. Advisory, Inc., both of which expire on September 30, 2009. Mr. Page explained that it would be beneficial to the Authority to continue having the same FA’s as the Authority continues the RFP process for underwriters. A motion was made to approve the resolution set forth below to extend the FA contracts until December 31, 2009. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, the New York City Transitional Finance Authority (the “Authority”) is authorized, pursuant to Section 2799-ee of the New York City Transitional Finance Authority Act (the “Act”), to make and execute contracts and agreements necessary and convenient to carry out its powers and functions; and

WHEREAS, the Authority, at the direction of the Board of Directors, previously entered into contracts for financial advisor services with Public Resources Advisory Group (“PRAG”) and A.C. Advisory, Inc. (“A.C. Advisory”), respectively, following a Request for Proposals process; and

WHEREAS, the Board of Directors previously authorized several extensions to the contracts with PRAG and A.C. Advisory, respectively, through September 30, 2009; and

WHEREAS, the Authority expects to issue a Request for Proposals for financial advisors in the near future; and

WHEREAS, the Board of Directors believes that it is in the best interest of the Authority to authorize additional extensions to the contracts with PRAG and A.C. Advisory, respectively, for the period from October 1, 2009 through December 31, 2009, on the terms set forth in Schedule I, attached hereto, and to provide for the not-to-exceed amounts set forth therein so as to properly compensate both firms; it is therefore

RESOLVED, that the six-month extensions of the contracts with PRAG and A.C. Advisory, respectively, for the period from October 1, 2009 through December 31, 2009, are hereby authorized and approved on the terms set forth in Schedule I, attached hereto, including the not-to-exceed amounts specified therein, and the Executive Director of the Authority is authorized to enter into contracts on such terms, and all actions taken by such officers consistent with the terms provided herein are hereby ratified.

Resolution to Approve Amended List of Financially Responsible Insurers and Liquidity Agreement and Letter of Credit Providers

The last item on the agenda was the approval of the amended list of Financially Responsible Insurers and Liquidity Agreement and Letter of Credit Providers. Mr. Page briefly explained the changes to the list. A brief discussion ensued. A motion was made to approve the resolution set forth below to approve the amended list. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, in accordance with Section 2799-gg(2) of the New York City Transitional Finance Authority Act (the “Act”), the Authority expects from time to time to obtain credit or liquidity facilities and insurance facilities relating to bonds issued by the Authority; and

WHEREAS, the Board of Directors is required to make a determination that the parties to such agreements which will provide credit or liquidity support or insurance to the Authority’s bonds are “financially responsible parties” in accordance with paragraph a and paragraphs c through g of Section 168.00 of the Local Finance Law; and

WHEREAS, the Board has determined that a credit or liquidity provider meeting the criteria set forth below shall be deemed to be a financially responsible party in compliance with Section 2799-gg(2) of the Act, it is therefore

RESOLVED, that the financial institutions listed on Schedule I hereto shall be deemed to be financially responsible parties in accordance with paragraph a and paragraphs c through g of Section 168.00 of the Local Finance Law, provided that such repurchase obligation shall not exceed \$2 billion with respect to any single financial institution listed on Schedule I hereto except as otherwise provided therein; and

FURTHER RESOLVED, that a financial institution not listed on Schedule I but otherwise meeting the following criteria shall be deemed to be a financially responsible party in accordance with paragraph a and paragraphs c through g of Section 168.00 of the Local Finance Law, provided that such repurchase obligation shall not exceed \$1 billion with respect to such financial institution and:

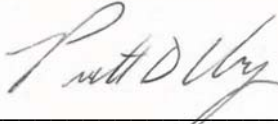
With respect to institutions providing letters of credit or insurance in connection with bonds, the long-term credit ratings of such financial institution are AA- or above by each of Standard & Poor's Ratings Services and Fitch, Inc, or their successors, and Aa3 or above by Moody's Investor's Service, Inc., or its successor (unless a rating is not issued by any of such rating agencies);

With respect to institutions providing liquidity facilities, the short-term ratings of such financial institution are A-1 or above by Standard & Poor's Ratings Services, or its successor, F1 by Fitch, Inc., or its successor, and P-1 by Moody's Investor's Services, Inc., or its successor (unless a rating is not issued by any of such rating agencies); and

In each case, such financial institution shall have capital of at least \$500 million dollars.

Adjournment

There being no further business to come before the Board, upon motion duly made and seconded, there being no objections, the meeting was duly adjourned.



GENERAL COUNSEL