

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

October 29, 2008

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on October 29, 2008 at approximately 4:15 p.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; and

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

constituting a quorum of the Board. Kathy Blyn 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 September 29, 2008. Mr. Page noted that the name of the Commissioner of the Department of Design and Construction was incorrect in the draft minutes previously circulated and would be changed to the correct name, which is David Burney. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes as corrected 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 September 29, 2008; it is therefore

RESOLVED, that the minutes of the meeting of September 29, 2008 be, and they hereby are, approved.

Authorization of Fiscal 2009 Series S-2 Building Aid Revenue Bonds

The next item on the agenda was the authorization of the Authority's Building Aid Revenue Bonds, Fiscal 2009 Series S-2 (the "Bonds"). Mr. Page briefly described the financing schedule and the provisions of the Bonds as authorized pursuant to the Forty-Fourth Series Resolution of the Authority (a copy of which is attached hereto as Appendix A). Alan Anders, the Executive Director of the Authority, briefly described the marketing of the Bonds. A motion was made to approve the Forty-Fourth Series Resolution. The motion was seconded and, there being no objections, duly adopted.

Approval of Extension of Financial Advisor Contracts

The next and final item on the agenda was the approval of the optional extensions of the Authority's contracts with its financial advisors. Such contracts are scheduled to expire on December 31, 2008. William Cobbs and Adela Cepeda, the respective representatives of Public Resources Advisory Group ("PRAG") and A.C. Advisory, Inc. ("A.C. Advisory"), the Authority's financial advisory firms, left the room. Mr. Page explained that the Authority intends to conduct a review of its underwriting group, but has not yet been able to do so because of the many changes that have been affecting underwriting firms. He further explained that the Authority wishes its financial advisors to participate in this review and is therefore seeking to extend its contracts with them for an additional three months. A brief discussion ensued. A motion was made to approve the resolution set forth below providing for optional extensions to the contracts of PRAG and A.C. Advisory. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, 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 Advisor 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 six-month extensions to the contracts with PRAG and A.C. Advisory, respectively, for the period from May 1, 2008 through October 31, 2008 and further authorized extensions for the period from October 31, 2008 through December 31, 2008; 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, at the option of the Authority's Executive Director, to the contracts with PRAG and A.C. Advisory, respectively, for the period from December 31, 2008 through March 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 three-month extensions of the contracts with PRAG and A.C. Advisory, respectively, for the period from December 31, 2008 through March 31, 2009, at the option of the Authority's Executive Director, 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.

Schedule I

Public Resources Advisory Group

i. **Term** – December 31, 2008 through March 31, 2009.

ii. **Hourly Fees**

Chairman/Co-President	\$400 per hour
Sr. Managing Director/Counselor	\$275 per hour
Managing Director	\$250 per hour
Vice President	\$225 per hour
Assistant Vice President	\$175 per hour
Other	\$150 per hour

iii. **Not-to-Exceed Amount**

For the 3 month term – \$225,000

A.C. Advisory, Inc.

i. **Term** – December 31, 2008 through March 31, 2009.

ii. **Hourly Fees**

President	\$400 per hour
Director	\$275 per hour
Associate	\$250 per hour

iv. **Not-to-Exceed Amount**

For the 3 month term – \$50,000

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