

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

March 16, 2009

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on March 16, 2009 at approximately 1:35 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following directors were represented by their designees:

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

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

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

Martha E. Stark, 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. 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. Levine.

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 March 2, 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 March 2, 2009; it is therefore

RESOLVED, that the minutes of the meeting of March 2, 2009 be, and they hereby are, approved.

Approval of Fiscal 2009 Series A and B Future Tax Secured Bonds

The second item on the agenda was the authorization of the Authority's Future Tax Secured Bonds, Fiscal 2009 Series A and B (the "Bonds"). Mr. Levine briefly described the features of the Bonds provided for in the Forty-Seventh Resolution Authorizing the Issuance of Up to \$500,000,000 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-Seventh Series Resolution. The motion was seconded and, there being no objections, duly adopted.

Approval of Amended and Restated Indenture - Investments

The third item on the agenda was the approval of the Authority's Amended and Restated Indenture (a copy of which is attached hereto). A brief discussion ensued. Marjorie Henning, Secretary of the Authority, pointed out that the amendment would permit the Authority to invest moneys that are held in certain accounts of the Authority in commercial paper and municipal

obligations and that it would require, among other things, that the Authority's Trustee collateralize uninvested cash. A motion was made to approve the resolution set forth below with respect to the Amended and Restated Indenture. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, the Board of the New York City Transitional Finance Authority (the "Authority") finds it reasonable and appropriate to allow increased flexibility to the Authority due to periodic limitations on available investments; and

WHEREAS, the Officers of the Authority have suggested that the Authority require that any funds of the Authority that are not invested be collateralized by the trustee bank; and

WHEREAS, in cooperation with the Securities and Exchange Commission, the Municipal Securities Rulemaking Board has implemented the Electronic Municipal Market Access system for continuing disclosure filings beginning July 1, 2009; and

WHEREAS, the Authority's bond counsel, Sidley Austin LLP has suggested several non-substantive corrections to the Authority's Indenture; and

WHEREAS, the Board of the Authority has reviewed the Amended and Restated Original Indenture, dated March 16, 2009, between the Authority and The Bank of New York Mellon, as Successor Trustee, a copy of which is attached hereto, (the "Amended and Restated Indenture"), and finds it to be reasonable and appropriate; it is therefore

RESOLVED, that the Amended and Restated Indenture is hereby approved and adopted by the Board.

Approval of Investment Guidelines, as amended

The fourth item on the agenda was the annual approval of the Authority's Investment Guidelines, as amended. The amended Investment Guidelines had been discussed during the discussion with respect to the Authority's Amended and Restated Indenture and Ms. Henning had explained during that discussion that the amendment would bring the investments authorized in the Investment Guidelines in line with those authorized in the Amended and Restated Indenture. A motion was made to approve the

resolution set forth below with respect to the Investment Guidelines. The motion was seconded and, there being no objections, approved.

WHEREAS, the Board of Directors of the New York City Transitional Finance Authority (the “Authority”) originally adopted Investment Guidelines on November 18, 1998 to establish policies for the investment of its funds and amended them on June 25, 2001, August 1, 2001, and March 14, 2005; and

WHEREAS, pursuant to Section 2925 of the Public Authorities Law, the Authority is required annually to review its Investment Guidelines; and

WHEREAS, the Authority’s Officers believe that it is reasonable and appropriate to further amend the Investment Guidelines to expand the list of authorized investments to those permitted under the Authority’s Indenture, as amended; and

WHEREAS, the Investment Guidelines, as amended, reflect the Authority’s determination that, with the exception of repurchase agreements, investment agreements or guaranteed investment contracts, the Authority shall not be required to enter into written contracts for the purchase of investments, because it is not a regular business practice to enter into written contracts for other types of investment transactions; and

WHEREAS, the Board has reviewed the amended Investment Guidelines submitted to the Board herewith and has deemed them to be reasonable and appropriate; it is therefore

RESOLVED, that the amended Investment Guidelines submitted to the Board herewith are hereby adopted.¹

Approval of Investment Report

The fifth item on the agenda was approval of the Authority’s Investment Report. Mr. Levine explained that the Public Authorities Law requires that the Authority annually prepare and approve an Investment Report, which after approval is submitted to the City Comptroller and the New York State Department of Audit and Control. A motion was

¹ A copy of the Investment Guidelines as adopted is filed with the Minutes of the Meeting.

made to approve the resolution set forth below with respect to the Investment Report. The motion was seconded and, there being no objections, approved.

WHEREAS, the New York City Transitional Finance Authority (the “Authority”), pursuant to Section 2925(6) of the Public Authorities Law of the State of New York (the “Public Authorities Law”) and the Authority’s Investment Guidelines, is required to annually prepare and approve an Investment Report; and

WHEREAS, the Authority has reviewed the attached Investment Report and has deemed it to be reasonable and appropriate, it is therefore

RESOLVED, that the Investment Report is hereby approved.

Report of Comptroller and Treasurer

The sixth and final item on the agenda was a report of the Authority’s Comptroller and Treasurer. Michele Mark Levine, the Comptroller of the Authority, explained that an investment that was not compliant with the requirements of the Indenture had inadvertently been made. She pointed out that the existence of this non-compliant investment came to light as a result of new procedures with respect to this issue. Jay Olson, the Treasurer of the Authority, described these new procedures. Ms. Kostik then referred to a check of the Authority that had been altered and never received by the payee, which was reported on at the prior meeting of the Board on March 2, 2009. Ms. Levine explained that the Authority’s bank was still investigating and that the investigation and restoration of funds to the Authority’s account could take up to eight weeks. She described certain security measures under discussion to help prevent the occurrence of this problem in the future.

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