Minutes of a Special Meeting of the Board of Directors
March 30, 1984

A Special Meeting of the Board of Directors of the Municipal Assistance Corporation For The City of New York was held at 9:00 A.M. on Friday, March 30, 1984, at the offices of Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel to the Corporation, 345 Park Avenue, New York City.

The following Directors were present, constituting a quorum of the Board:

Felix G. Rohatyn, Chairman
Edward M. Kresky, Vice-Chairman
Francis J. Barry
Kenneth J. Bialkin
Eugene J. Keilin
Andrew P. Steffan
Robert C. Weaver

The following Representative was present:

Carl H. Pforzheimer III

The following members of the Staff were present:

T. Dennis Sullivan II
Denise N. Dean
Frances N. Higgins
Angelina Saraceno
Susan A. Weil
Stephen J. Weinstein

Also present by invitation of the Board were: James M. Dubin, Ronald M. Soliefer and Thomas R. Distler of Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel to the Corporation; Jack M. Schrager of Hawkins, Delafield & Wood,
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Bond Counsel to the Corporation; Bernard J. Kabak of the Office of the State Special Deputy Comptroller; Richard F. Kezer of Citibank, N.A.; Park Benjamin and Mary Schneider of Manufacturers Hanover Trust Company; Fredrick O. Terrell of The First Boston Corporation; and Gedale B. Horowitz of Salomon Brothers Inc.

Adoption of Minutes
Upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Minutes of the Special Meetings of the Board of Directors held on January 17, 1984 and January 19, 1984, be and hereby are adopted.

Proposed Commercial Paper Program

Mr. Sullivan described the proposed Series 4 Commercial Paper Program, which would supplant the Series 2 and Series 3 Programs for the full amount of $250 million. He noted that the new program would extend until June 30, 1987, the ending date of the already-existing waiver under the 1978
Bond Purchase Agreement. He explained that the new program would be based upon a $250 million direct-pay letter of credit provided by Citibank N. A. and Manufacturers Hanover Trust Company with each of the banks obligated severally up to $150 million and $100 million, respectively. Mr. Sullivan pointed out that the Series 4 Program would result in: (1) a direct-pay letter of credit for the entire commercial paper program; (2) continued high ratings for the Corporation's short-term notes; and (3) still lower costs, with annual fees of 7/8% for the first year and 3/4% for each of the following years, with a right to reduce or cancel the letter of credit for a fee of 1/2% of the amount cancelled during the first two years of the facility. This structure, he concluded, would result in a cost of about $1.9 million per year, or a savings of $1.3 million over present fees for the remainder of the commercial paper program.

(Mr. Bialkin joined the meeting at this point.)

Mr. Weinstein described the documents that had been circulated to the Board prior to the meeting and which would implement the Series 4 Program. He stated that there were three resolutions to be presented for adoption: (1) a
resolution authorizing the issuance of Series 4 Commercial Paper Notes in an amount not to exceed $250 million; (2) a resolution authorizing bank notes to Citibank and Manufacturers in an amount not to exceed $150 million and $100 million; and (3) a resolution authorizing the issuance of up to $250 million of Series 49 Bonds. He explained that the Corporation would be required to enter into four agreements: (1) a Letter of Credit and Reimbursement Agreement with Citibank and Manufacturers; (2) an Amended and Restated Pledge and Security Agreement with Citibank and United States Trust Company; (3) an Agency Agreement with Citibank and United States Trust Company; and (4) a Dealer Agreement with The First Boston Corporation, Citibank, and Salomon Brothers Inc.

Mr. Weinstein stated that the Reimbursement Agreement set forth the terms and conditions of the direct pay letter of credit and the terms of repayment of any advances made by Citibank and Manufacturers thereunder; the Security Agreement set forth the terms of the Corporation's pledge of certain City bonds as security for the banks' commitments, to be pledged equally and ratably to Citibank, Manufacturers and the Series 3 and 4 noteholders; the Agency Agreement set
forth the duties of Citibank as issuing and paying agent for the Series 4 notes and the duties of the United States Trust Company as agent for the Series 4 noteholders in drawing on the letter of credit; and the Dealer Agreement set forth the terms and conditions of the sale of the Series 4 notes by the dealers.

Mr. Weinstein described the three resolutions proposed for adoption. He stated that the Commercial Paper Note Resolution would authorize Series 4 notes to be issued in an unlimited aggregate principal amount, provided that principal and interest to accrue to maturity did not exceed $250 million outstanding at any time, that the minimum denomination of Series 4 notes would be $250,000, that the term of the notes could not exceed 270 days, that all notes would have to mature on or before June 15, 1987, and that the proceeds would be used to retire maturing Series 2 notes, and to reimburse Citibank and Manufacturers for the payment of maturing Series 3 and 4 notes, or to pay principal and interest on the bank notes issued to Citibank and Manufacturers, or for City capital purposes. Mr. Weinstein stated that the Commercial Paper Note Resolution would authorize appropriate officers of the Corporation to
execute each of the four constituent agreements he had described.

With respect to the Bank Note Resolution, Mr. Weinstein stated that notes in fluctuating principal amounts equal to the amount of advances made by Citibank and Manufacturers under the Reimbursement Agreement, not to exceed $150 million and $100 million, respectively, would be authorized to be issued to Citibank and Manufacturers and that the terms of the bank notes would be as set forth in the Reimbursement Agreement, which provided for, among other things, a five-year amortization period.

Mr. Weinstein further stated that the Series 49 Resolution would authorize the issuance of up to $250 million of Series 49 bonds to Citibank and Manufacturers under the circumstances and terms provided in the Reimbursement Agreement.

Mr. Rohatyn commended the staff for its efforts in developing this phase of the Corporation's short-term borrowing program, noting the substantial reductions in costs achieved in the two years since the initial commercial paper program was begun.
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After discussion, upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Commercial Paper Note Resolution, the Bank Note Resolution, and the Series 49 Resolution, each substantially in the form as presented to the meeting, with such nonsubstantive changes as General Counsel and Bond Counsel may in their discretion require, be and hereby are adopted.

Memorandum of Agreement

Mr. Sullivan recalled that at the Board's meeting of January 17, 1984, the sources of funds to be made available to the City and the general agreement that had been reached between the State, the City and the Corporation had been discussed. Mr. Sullivan then described the proposed Memorandum of Agreement which had been drafted to reflect those terms.

Mr. Rohatyn described the three general categories of uses to which the Corporation's funds were to be applied by the City -- $550 million for capital expenditures, $160 million for operating budget and $365 million for economic development. Mr. Rohatyn explained that the City and State
and their respective elected officials would determine how the money within each of the three categories was to be spent. Mr. Rohatyn noted that the negotiations leading up to the agreement, conducted in a climate of prosperity, had been more difficult than those conducted in times of adversity.

Mr. Bialkin noted that since the various commitments were dependent upon market conditions, the proposed agreement would not constitute a binding legal obligation on the Corporation. He also noted that, within the categories listed, the Mayor and Governor were free to modify their own agreements. Mr. Sullivan stated that the proposed agreement called for the City and State to make ongoing certifications to the Corporation as to the three categories of uses.

(At this point, Dr. Weaver joined the meeting.)

After discussion, upon motion duly made, seconded and unanimously carried, it was:

    RESOLVED, that the Chairman of the Corporation be and hereby is authorized to execute the proposed Memorandum of Agreement with the Governor and the Mayor substantially in the form presented to the meeting.

    The Board directed that a copy of the proposed Memorandum of Agreement be appended to the minutes of the meeting.
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Appointment of Treasurer

Mr. Sullivan recommended that Quentin B. Spector be appointed as Treasurer of the Corporation to succeed Steven J. Kantor, who resigned that position effective February 29, 1984. Mr. Sullivan reported that Mr. Spector had been recruited from his position as Manager of Budget and Financial Planning of the Milwaukee Metropolitan Sewerage District. Mr. Rohatyn noted the importance of the position of Treasurer and expressed appreciation for Mr. Kantor's contributions to the work of the Corporation. In response to questions from Mr. Bialkin, Mr. Sullivan described the interviewing process Mr. Spector had gone through and noted that he had received excellent references. Mr. Keilin and Mr. Kresky stated that they concurred in Mr. Sullivan's recommendation.

Upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that Quentin B. Spector be and hereby is appointed Treasurer of the Municipal Assistance Corporation.

Mr. Sullivan stated that he expected Mr. Spector to join the staff in about two weeks.
Adjournment

There being no further business before the meeting, it was, upon motion duly made, seconded and unanimously carried, adjourned at 9:45 A.M.

Susan A. Weil
Secretary
MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT made as of March 30, 1984, by and among the Governor of the State of New York (the State), the Mayor of the City of New York (the City) and the Chairman of the Municipal Assistance Corporation For The City of New York (MAC).

I. The Governor, the Mayor and the Chairman of MAC agree as follows:

(A) MAC will undertake transactions consistent with the revised debt issuance plan approved by its Board of Directors on January 17, 1984, annexed as Schedule A hereto, intended to make available to the City $1,075 million during the period covered by the plan, as follows: (1) $250 million of proceeds from bonds to be issued for capital purposes; (2) $300 million resulting from debt service reductions from issuance of bonds for refunding purposes; and (3) $525 million from earnings on and releases of certain of its funds.

(B) Funds from the sources set forth in paragraph I (A) hereof will be used by the City as follows: (1) $150 million for its operating budget, to be made available to the City in four equal annual installments beginning in the City's 1985 fiscal year; (2) $550 million for its capital budget to be made available to the City in amounts and at times that, together with other funds to be made available to the City by MAC, are consistent with Schedule A hereto; and (3) $365 million for economic development to be made available to the City in accordance with Schedule B hereto. Expenditures of all such monies will be subject to the normal City appropriation process.

II. The Governor and the Mayor agree, with respect to monies made available for economic development in accordance with paragraph I hereof, that the City will make expenditures within all or some of the following categories of investment. The specific projects within these categories will be determined in accordance with the normal City appropriation process.

1. Development of downtown areas outside of Manhattan. Expenses directly related to said development, including studies, necessary public infrastructure modifications, amenities and start-up costs may be included.
2. A program or programs designed to prepare young people and adults for employment in growing sectors of the City's economy by providing literacy, vocational education and other job-related skills with emphasis on such areas as financial services.

3. Tax reductions, such as in electric utility taxes, to be targeted, as appropriate, to specific classes of business or areas of the City in order to have a greater impact on economic development.

4. Creation of a housing fund for the construction and renovation of housing for lower and middle income families, when leveraged by additional capital funds from the private sector or otherwise.

5. Relocation assistance, including necessary public infrastructure modifications, to manufacturers relocating within the five boroughs of the City who have been dislocated by circumstances beyond their control, such as escalating rents or conversions of their facilities to other uses.

6. Construction or reconstruction of public facilities such as the Convention Center. Expenses directly related to said construction or reconstruction such as studies, necessary public infrastructure modifications, amenities and start-up costs may be included.

III. With respect to completion of the New York City Convention Center, the Governor and the Mayor agree as follows:

1. The City shall contribute such funds, up to a maximum of $60 million, as are needed to complete construction of the Convention Center, as defined in the facility program plan, including the cost of fixtures, furnishings, and equipment therein, and the construction of the Convention Center traffic plaza and related public infrastructure modifications; provided, however, that before any such City funds are appropriated, the Convention Center Development Corporation (CCDC) shall have committed all permitted resources available for construction of the convention Center. Subject to the foregoing, the City shall prior to June 30, 1984, appropriate $60 million in its capital budget for the purposes described in this paragraph III.

2. The Triborough Bridge and Tunnel Authority (TBTA) will undertake to refinance the bonds issued by TBTA to finance construction of the Convention Center, in order to reduce the required size of the debt service reserve fund and thus
increase the funds available to CCDC's construction fund. In the event that CCDC requires funds additional to the $60 million provided pursuant to paragraph III(1) hereof and sufficient additional funds cannot be provided through TBTA refinancing, the City will advance up to $25 million in additional funds to complete the Convention Center. Any such additional advance will be conditioned upon repayment from sources deemed by the City to be reasonably secure, including (i) funds resulting from any TBTA refinancing subsequent to such advance, and (ii) such other sources as the City, the TBTA and the State may agree upon prior to the making of such advance.

3. The City's contribution shall in any event be reduced by funds resulting from any TBTA refinancing of its Convention Center bonds to the extent such funds are not needed to complete the Convention Center. Any amounts disbursed by the City to CCDC that are not required to complete the Convention Center shall be returned to the City. Should the contribution from the City required to complete the Convention Center be less than $60 million, the City will expend the balance for economic development programs in accordance with the provisions of paragraph II hereof. Amounts to be appropriated by the City in the expense budget in any fiscal year for completion of the Convention Center pursuant to paragraphs III(1) and (2) hereof shall be based on a certification to the Mayor by the President of CCDC not later than ninety days prior to the beginning of such City fiscal year. Such certification shall specify the amount required by CCDC to meet the Convention Center's cash needs during such fiscal year, after taking into account all other funds available for such purpose. Such certification may be amended by the President of CCDC to reflect changes in the Convention Center's cash needs during such fiscal year, in which event the City will appropriate any additional amounts not in excess of the amounts to be made available by the City pursuant to paragraphs III(1) and (2) hereof as required by such amended certification. Amounts so appropriated by the City shall be paid quarterly to CCDC, upon quarterly certifications by the President of CCDC of the amount required to meet the Convention Center's cash needs during the succeeding quarter, after taking into account all other funds available for such purpose.

4. The Convention Center may require an annex in order to be competitive and to accommodate the business it may attract. The State and the City will jointly sponsor a study by independent consultants mutually agreed upon, of the need for such an annex, which study shall be completed by July 15, 1984. Should it be determined that an annex is needed, the
increase the funds available to CCDC's construction fund. In the event that CCDC requires funds additional to the $60 million provided pursuant to paragraph III(1) hereof and sufficient additional funds cannot be provided through TBTA refinancing, the City will advance up to $25 million in additional funds to complete the Convention Center. Any such additional advance will be conditioned upon repayment from sources deemed by the City to be reasonably secure, including (i) funds resulting from any TBTA refinancing subsequent to such advance, and (ii) such other sources as the City, the TBTA and the State may agree upon prior to the making of such advance.

3. The City's contribution shall in any event be reduced by funds resulting from any TBTA refinancing of its Convention Center bonds to the extent such funds are not needed to complete the Convention Center. Any amounts disbursed by the City to CCDC that are not required to complete the Convention Center shall be returned to the City. Should the contribution from the City required to complete the Convention Center be less than $60 million, the City will expend the balance for economic development programs in accordance with the provisions of paragraph II hereof. Amounts to be appropriated by the City in the expense budget in any fiscal year for completion of the Convention Center pursuant to paragraphs III(1) and (2) hereof shall be based on a certification to the Mayor by the President of CCDC not later than ninety days prior to the beginning of each City fiscal year. Such certification shall specify the amount required by CCDC to meet the Convention Center's cash needs during such fiscal year, after taking into account all other funds available for such purpose. Such certification may be amended by the President of CCDC to reflect changes in the Convention Center's cash needs during such fiscal year, in which event the City will appropriate any additional amounts not in excess of the amounts to be made available by the City pursuant to paragraphs III(1) and (2) hereof as required by such amended certification. Amounts so appropriated by the City shall be paid quarterly to CCDC, upon quarterly certifications by the President of CCDC of the amount required to meet the Convention Center's cash needs during the succeeding quarter, after taking into account all other funds available for such purpose.

4. The Convention Center may require an annex in order to be competitive and to accommodate the business it may attract. The State and the City will jointly sponsor a study by independent consultants mutually agreed upon, of the need for such an annex, which study shall be completed by July 15, 1984. Should it be determined that an annex is needed, the
State and the City shall enter into such agreements as may be required to assure its construction. Should the State elect not to participate in financing the annex, the City at its sole discretion may elect to make funds available, over and above the amount expended in accordance with the provisions of paragraphs III(1) and (2) hereof, from appropriations duly made for such purpose. The annex will be constructed on land owned by CCDC adjacent to the Convention Center, which shall be made available to the City for such purpose upon the City's request. If such consultants determine that such land is unsuitable for any reason, the New York State Urban Development Corporation (UDC) will at the City's request, exercise its corporate powers, including if necessary the power of condemnation, in accordance with its statutory requirements to assist in the acquisition of any additional land necessary to construct the annex.

The City shall to the fullest extent permitted by law have title (subject to prior rights) to the annex, and the Convention Center Operating Corporation (CCOC) will operate the annex as part of the Convention Center under the same terms and agreements with the State that apply to the operation of the Convention Center.

5. In order to expand available parking space on the West Side of Manhattan, UDC will cooperate with the City and with such private parties as the City may designate in the acquisition of a site for and development of parking facilities in the vicinity of the Convention Center.

6. Any resources required to complete the Convention Center, including the Convention Center's traffic plaza, over and above the amounts made available by the City pursuant to paragraphs III(1) and (2) hereof and other amounts available for such purpose shall be provided by the State.

7. To the fullest extent permitted by law, the City shall own (subject to prior rights) that percentage of the Convention Center which reflects the City's financial contribution thereto. In consideration of the City's contribution of funds to complete the Convention Center and/or to build an annex, the State agrees to exercise at the City's request its option to purchase the Convention Center promptly at the time its right to do so accrues, and, acting in agreement with CCOC or otherwise, to ensure that (i) the City can acquire for nominal consideration that percentage of the Convention Center and the land thereunder which reflects its financial contribution thereto and (ii) the City can acquire title to the Convention Center and the land thereunder to the extent not previously acquired by the City, if it pays the greater of (x)
the total cost of the State's investment in the Convention Center plus accrued annual interest thereon, or (y) that portion of the fair market value of the Convention Center site equal to the State's portion of construction costs.

8. Funding from the City referred to in paragraphs III(1) and (2) hereof shall be made available to the City and spent by the City as part of the $365 million allocated to economic development referred to in paragraph I hereof.

IV. With respect to the Coliseum, the Governor and the Mayor agree as follows:

1. The TBTA shall dispose of the Coliseum at the earliest possible date in a manner that assures its highest and best use. All plans for redevelopment of the site, and any sale or other conveyance of the site, and the terms and conditions of any such sale or conveyance, shall be subject to the prior approval of the City.

2. A request for proposals for the sale or other disposition of the Coliseum shall be issued not later than September 30, 1984, and the sale or other disposition shall be completed as soon as possible, but in any case not later than September 30, 1985; provided, however, that the Coliseum shall remain in operation until such time as the Convention Center shall be in operation. The Coliseum shall not be sold or otherwise disposed of to a person who is exempt from City real estate taxes.

3. The TBTA and the City will evenly divide any and all net revenues accruing from disposition of the Coliseum. Such revenues or funds equal to such net revenues shall be used for the purpose of improving public transportation facilities within the City.

a) The TBTA's share of net revenues shall be committed solely to the capital program of the Metropolitan Transportation Authority for projects in the City, of which not less than 79% shall be applied to capital projects of the New York City Transit Authority (NYCTA).

b) In consideration of its receipt of net revenues, the City agrees to take such actions as are necessary to permit the sale or other disposition of the Coliseum as contemplated herein, and further agrees to commit funds within a five year period commencing on the date of the sale or other disposition of the Coliseum, in an amount equivalent to its share of such net revenues received, to
the capital program of the NYCTA to supplement other funds made available to that program through the City's capital budget process.

4. Upon the sale or other disposition of the Coliseum, the property so sold or otherwise disposed of shall be subject to real property taxation in accordance with statutory provisions then in effect with regard to taxation by the City of income-producing property.

5. As used herein, the term "Coliseum" shall have the meaning such term has in the agreement between the City and the TBTA dated January 15, 1953.

V. The Governor and the Mayor agree that, wherever feasible, economic development projects and programs undertaken pursuant to paragraph II hereof should reflect the following general provisions and principles:

1. The purpose of this Memorandum of Agreement is to increase the funds which would otherwise be spent on important economic development projects in the City.

2. Investments in economic development projects should be used, where possible, to leverage investments from other sources, especially from the private sector.

3. Where investments directly benefit private sector firms, the City should seek firm, long-term commitments to the City.

4. To the extent practicable, all programs and projects financed should require equal employment opportunity and should be structured to assure the availability of job and business opportunities to the chronically unemployed and to the economically disadvantaged.

5. To assure that the funds allocated to each program are sufficient for it to be effective, funds should be targeted to a limited number of projects.

VI. 1. The parties shall use their best efforts to secure all governmental actions and approvals required to effectuate the terms of this Memorandum of Agreement, provided that the parties shall not be required to seek any State legislation other than as may be required pursuant to paragraph III(6) hereof.

2. Nothing in this Memorandum of Agreement shall limit the amount of additional funds which may be made available to the City.
3. All commitments of funds by MAC for economic development pursuant to this Memorandum of Agreement are subject to the City obtaining all budgetary authorizations necessary to permit such funds to be expended as provided herein prior to MAC making such funds available to the City.

4. The transactions envisioned by this Memorandum of Agreement are subject to applicable provisions of law and bond resolutions.

5. After the publication of the City's Executive Budget for each of fiscal years 1985, 1986, 1987, and 1988, the Mayor and the Governor will jointly certify to MAC that such Executive Budget proposes the appropriation of the additional economic development funds to be made available by MAC for such fiscal year in accordance with the categories set forth in paragraph II hereof. These certifications will not be subject to any analysis of individual projects or the allocation of funds among projects and categories, but shall only relate to the general requirement of compliance with the overall categories specified in paragraph II hereof. After the end of each such fiscal year, the Mayor will certify to the Governor and MAC that funds for the capital budget were spent on capital projects, and that the funds for economic development were spent or used to cover targeted tax reductions in accordance with the categories specified in paragraph II hereof, and were in addition to the City's regular funding of economic development programs and projects.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Agreement as of the date first above written.

Mayor

Governor

Chairman of MAC
## Schedule A

FY 1984 - 1988 Financing Program

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<td>350</td>
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<td>350</td>
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<td>$1,780</td>
<td>$1,725</td>
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<td>196</td>
<td>-</td>
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<td>-</td>
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<td>Other Sources (1)</td>
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<td>46</td>
<td>247</td>
<td>28</td>
<td>-</td>
<td>349</td>
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<td><strong>Total</strong></td>
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<td>$2,027</td>
<td>$1,753</td>
<td>$1,740</td>
<td>$8,957</td>
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## Uses

| City - Capital Improvements   | $1,334 | $1,390 | $1,430 | $1,625 | $1,740 | $7,519 |
| Guaranteed Bond Prepayments   | 198    | 227    | 247    | 28     | -      | 700    |
| MAC - Capital Reserve Funds   | 38     | -      | -      | -      | -      | 38     |
| Refunding (2)                 | 125    | 125    | 350    | 100    | -      | 700    |

**Total** $1,695 $1,742 $2,027 $1,753 $1,740 $8,957

(1) Other sources include primarily debt service savings resulting from MAC refundings during 1984-1987, and changes in City general fund advances and restricted cash.

(2) The timing of refunding sales is subject to market conditions.
Schedule B

Economic Development Funds to Be Made Available from MAC

City Fiscal Year

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<td></td>
<td></td>
<td></td>
<td></td>
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<td>$90</td>
<td>$80</td>
<td>$85</td>
<td>$85</td>
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MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

Minutes of a Special Meeting of the Board of Directors

April 27, 1984

A Special Meeting of the Board of Directors of the Municipal Assistance Corporation For The City of New York was held at 11:00 A.M. on Friday, April 27, 1984, at the offices of Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel to the Corporation, 345 Park Avenue, New York City.

The following Directors were present, constituting a quorum of the Board:

Edward M. Kresky, Vice-Chairman
Francis J. Barry
George M. Brooker
Kenneth J. Bialkin
Andrew P. Steffan
Robert C. Weaver

The following Representative was present:

Carl H. Pforzheimer III

The following members of the Staff were present:

T. Dennis Sullivan II
Denise N. Dean
Frances N. Higgins
Quentin B. Spector
Susan A. Weil
Stephen J. Weinstein

Also present by invitation of the Board were: James M. Dubin, Ronald M. Soliefer and Thomas R. Distler of Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel to the Corporation; Donald J. Robinson and Jack M. Schrager of Hawkins, Delafield & Wood, Bond Counsel to the Corporation;
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Anthony F. Kahn of White & Case, Counsel to the underwriters; Yvette M. Barksdale of Carter, Ledyard and Milburn, Counsel to the Trustee; Bernard J. Kabak of the Office of the State Special Deputy Comptroller; Steven M. Levine of the City Office of Management and Budget; Neil Kaplan of the City Law Department; and Gedale B. Horowitz, L. Eugene Crowley and William B. James of Salomon Brothers Inc.

Adoption of Minutes

Upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Minutes of the Special Meeting of the Board of Directors held on March 30, 1984 be and hereby are adopted.

Proposed Series 50 Bond Sale

Mr. Kresky noted that the Mayor had submitted a proposed budget for fiscal 1985 to the City Council and Board of Estimate on April 26, 1984, with revenues and expenditures of approximately $18 billion, which included improved services in various areas. He also noted that the
refunding of the Series 1 through 4 and 38 Bonds through the proposed issuance of the Series 50 Bonds would be the Corporation's first and significant refunding under the revised Debt Issuance Plan.

(Mr. Barry joined the meeting at this point.)

Mr. Horowitz stated that an underwriting group represented by Salomon Brothers Inc was proposing to purchase the Series 50 Bonds for $222,113,251.20, or approximately 97.9% of the aggregate principal amount, which would result in a net interest cost of 10.03% and a true interest cost of 10.162% for the issuance. Mr. Horowitz described the principal amounts, rates and maturities of the bonds proposed to be issued, as shown on the cover of the final Official Statement for the issuance. Mr. Kresky noted that the proposed refunding would permit releases from the Second Capital Reserve Fund which would be applied to the refunding, and that the transaction would provide both present value savings and more level debt service for the Corporation.

Mr. Robinson summarized the principal provisions of the proposed resolution authorizing the issuance of $226,890,000 of the Corporation's Series 50 Bonds.
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In response to a question from Mr. Bialkin, Mr. Kresky noted that the proceeds of the refunding bonds would be invested in United States Treasury State and Local Government Series obligations, at a restricted yield, and that the non-bond proceeds in the escrow would be invested in other United States government obligations at an average yield of approximately 12.60%.

Mr. Weinstein described the various sections of the Official Statement in which changes had been made since the circulation of the Corporation's previous official statement in January.

After discussion, upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Series 50 Resolution, substantially in the form as presented to the meeting, with such non-substantive changes as General Counsel and Bond Counsel may in their discretion require, be and hereby is adopted.

Other Business

Mr. Sullivan stated that the Series 4 Commercial Paper Program had commenced on April 12, 1984, that in late May the Corporation would publish the July 1 sinking fund
requirements for Second Resolution bonds and that the annual review of the proposed City budget and the preparation of the Corporation's operating budget for the 1985 fiscal year would be undertaken shortly for presentation to the Board.

Adjournment

There being no further business before the meeting, it was, upon motion duly made, seconded and unanimously carried, adjourned at 11:30 A.M.

[Signature]
Susan A. Weil
Secretary