MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
BUILD NYC RESOURCE CORPORATION
HELD AT THE ONE LIBERTY PLAZA OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
NOVEMBER 5, 2019

The following directors and alternates were present, constituting a quorum:

James Patchett
Brian Cook, alternate for Scott M. Stringer,
Comptroller of The City of New York
Albert De Leon
Barry Dinerstein, alternate for Marisa Lago,
Chair of the City Planning Commission of The City of New York
Andrea Feirstein
Pedram Mahdavi, alternate for Vicki Been,
Deputy Mayor for Housing and Economic Development
Angela Pinsky
Jacques-Philippe Piverger
James Prendamano
Robert Santos
Shanel Thomas

The following directors were not present:

HeeWon Brindle-Khym
Marlene Cintron
Khary Cuffe
James E. Johnson, Corporation Counsel of The City of New York

Also present were (1) members of New York City Economic Development Corporation ("NYCEDC") staff and interns, (2) Scott Singer and Adam Gordon from Nixon Peabody LLP, (3) Sarah Kim from Hawkins Delafield & Wood LLP, (4) Patricia Mollica from Katten Muchin Rosenman LLP and (5) other members of the public.

James Patchett, President of NYCEDC and Chairperson of the Build NYC Resource Corporation ("Build NYC" or the "Corporation"), convened the meeting of the Board of Directors of Build NYC at 9:24 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the September 24, 2019 Board of Directors Meeting

Mr. Patchett asked if there were any comments or questions relating to the minutes of the September 24, 2019 Board of Directors meeting. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for September 30, 2019 (Unaudited)

Christine Robinson, Assistant Vice President of NYCEDC, presented the Corporation's Financial Statements for the three-month period ending September 30, 2019 (Unaudited). Ms. Robinson stated that in the three-month period, the Corporation recognized approximately $291,000 in revenue from two transaction. Ms. Robinson stated that income derived from compliance, application and post-closing fees totaled $72,000 for the three-month period. Ms. Robinson stated that the Corporation recognized $552,000 in total expenditures for the three-month period ending September 30, 2019, consisting of the monthly management fee, post-closing and public hearing expenses.

3. Fiscal Year 2019 Annual Report of the Board of Directors

Krishna Omolade, a Vice President of NYCEDC and Executive Director of the Corporation, presented for review and approval the Annual Report of the Board of Directors for the 12-month fiscal period ended June 30, 2019. Mr. Omolade stated that this report is required under Section 519 of the Not-for-Profit Corporation Law of the State of New York. Mr. Omolade stated that during the Corporation's annual meeting of the Members, the Members of the Corporation would be asked to acknowledge receipt of the report.

There being no comments or questions, a motion to approve the Annual Report attached hereto as Exhibit A was made, seconded and unanimously approved.

4. Manhattan Country School/West 85th Street Owner LLC

Noah Schumer, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately $30,000,000 tax-exempt and taxable revenue bond issuance for the benefit of Manhattan Country School and recommended the adoption of a SEQRA declaration that the proposed project is an unlisted action. Mr. Schumer described the project and its benefits as set forth in Exhibit B.

Mr. Dinerstein stated that the Finance Committee reviewed this project and were concerned about the low debt service coverage ratio for the project which has a certain amount of risk due to the tight margins, but that this is the kind of project that the Corporation should support. Mr. Dinerstein stated that the school has a record of serving a very diverse population and are committed to raising money and growing their enrollment. On behalf of the Finance Committee, Mr. Dinerstein recommended approval of this project.

In response to a question from Mr. Cook, Mr. Schumer stated that based on Corporation staff's analysis of the school's financial statements and projection of running a surplus within the next couple of years as well as a few other factors, the project has a good chance of success. They had let it dip a little bit too low in the last couple years. Mr. Schumer stated that the school's capital campaign is currently underway, there is continuing enrollment growth that is reflected by a big jump in applications since they moved into their new facility and a slight increase in the percentage of students paying the full tuition rate that is back to where it historically was for most of the school's existence, which had dipped a little bit too low in the last couple years. In response to a question from Mr. Cook, Mr. Schumer stated that the project is in its last phase of the planned expansion to facilitate continued growth of the middle school. In response to a question from Ms. Feirstein, Mr. Schumer stated that the school is extending the interest-only period of their loan for another three years which, combined with the working capital from the taxable issuance, would give them a good amount of breathing room in the near term. In response to a question from Mr. Patchett, Mr. Schumer stated the school expects to raise approximately $4 million in the next four to five years which currently is based on pledged gifts and several million dollars in a few years as well as a sort of second phase in an ongoing campaign. In response to a question from Ms. Pinsky, Mr. Schumer stated that the pledges are mostly made by the school's alumni and that the maximum tuition rate is approximately $50,000 a year. In response to a question from Mr. Prendamano, Mr. Schumer stated that the collateral for the loan is a lien on the school's Manhattan property and that the school owns a farm in upstate New York outright.

There being no further comments or questions, a motion to approve the bond approval and authorizing resolution and SEQRA determination for the benefit of Manhattan Country School attached hereto as Exhibit C was made, seconded and unanimously approved.

5. Consortium for Worker Education

Emily Marcus, a Senior Project Manager for NYCEDC, presented for review and adoption an amended bond approval and authorizing resolution for an approximately $9,350,000 tax-exempt revenue bond issuance for the benefit of Consortium for Worker Education. Ms. Marcus described the project and its benefits as set forth in Exhibit D.

There being no comments or questions, a motion to approve the bond approval and authorizing resolution for the benefit of Consortium for Worker Education attached hereto as Exhibit E was made, seconded and unanimously approved.

6. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:37 a.m.

Anthea Hanson

Assistant Secretary

Dated: 12/17/19

New York, New York

<u>**Exhibit A**</u>

BUILD NYC RESOURCE CORPORATION

Meeting of the Board of Directors – November 5, 2019

RESOLVED, that the Board of Directors of Build NYC Resource Corporation (the "Corporation") hereby approves the form, content, presentation and delivery of the Annual Report of the Board of Directors for the 12-Month Fiscal Period Ended June 30, 2019, which attaches the audited financial statements of the Corporation for such fiscal period as audited by the independent certified public accounting firm Ernst & Young LLP, to the Members of the Corporation.

Annual Report of the Board of Directors of Build NYC Resource Corporation ("Build NYC") for the 12-Month Fiscal Period Ended June 30, 2019

TO: The Members of Build NYC

The Board of Directors of Build NYC respectfully submits for your information the following report relating to Build NYC for the twelve-month fiscal period ended June 30, 2019:

1. Attached hereto are the Financial Statements and Supplementary Information of Build NYC for the year ended June 30, 2019, which has been certified by, and includes a Report of Independent Auditors from, Ernst & Young LLP. Such attachments show in appropriate detail the financial information required to be provided to the Members of Build NYC pursuant to Section 519 of the New York State Not-for-Profit Corporation Law.

2. The number of Members of Build NYC as of November 5, 2019 is 15.

3. The number of Members of Build NYC was 12 on June 30, 2018 and 14 on June 30, 2019.

4. The names and addresses of the current Members of Build NYC may be found in the Members/Directors book of Build NYC, which is kept at One Liberty Plaza, New York, New York 10006.

Dated: November 5, 2019
New York, New York

Krishna Omolade, Executive Director

Spencer Hobson, Treasurer

LDCMT-26-10800

State of New York)
) ss.:
County of New York)

Krishna Omolade, being first duly sworn, deposes and says that he executed the foregoing report and is the Executive Director of Build NYC Resource Corporation, that he has read the foregoing report and knows the contents thereof, and that the information provided in Sections 2-4 of the report is true.

____
Krishna Omolade

Sworn to before me this ___
day of November, 2019

____
Notary Public

State of New York)
) ss.:
County of New York)

Spencer Hobson, being first duly sworn, deposes and says that he executed the foregoing report and is the Treasurer of Build NYC Resource Corporation, that he has read the foregoing report and knows the contents thereof, and that the information provided in Sections 2-4 of the report is true.

____
Spencer Hobson

Sworn to before me this ___
day of November, 2019

____
Notary Public

Build NYC Resource Corporation

(a component unit of the City of New York)

Financial Statements

Years Ended June 30, 2019 and 2018
With Report of Independent Auditors

BUILDNYC

Build NYC Resource Corporation

Build NYC Resource Corporation
(A Component Unit of the City of New York)

Financial Statements

Years Ended June 30, 2019 and 2018

Contents

I. Financial Section

Ernst & Young LLP
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Building a better working world

Report of Independent Auditors

The Management and the Board of Directors
Build NYC Resource Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of Build NYC Resource Corporation (Build NYC or the Corporation), a component unit of The City of New York, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Required Supplementary Information

U.S. generally accepted accounting principles require that management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated September 30, 2019, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Build NYC Resource Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Ernst + Young LLP

September 30, 2019

Build NYC Resource Corporation
(A Component Unit of the City of New York)

Management's Discussion and Analysis

June 30, 2019

This section of the Build NYC Resource Corporation (Build NYC or the Corporation) annual financial report presents our discussion and analysis of financial performance during the years ended June 30, 2019 and 2018. Please read it in conjunction with the financial statements and accompanying notes, which follow this section.

Fiscal Year 2019 Financial Highlights

- Current assets decreased by $2,188,991 (or 22%)
- Current liabilities increased by $124,489 (or 127%)
- Net position increased by $696,817 (or 7%)
- Operating revenues increased by $1,039,808 (or 58%)
- Operating expenses decreased by $1,155,291 (or 34%)
- Non-operating revenue increased by $ 6,356 (or 6%)

Overview of the Financial Statements

This annual financial report consists of two parts: *Management's discussion and analysis* (this section) and the *basic financial statements*. Build NYC is considered a component unit of the City of New York (the City) for the City's financial reporting purposes. Build NYC is a local development corporation that was organized under the Not-For-Profit Corporation Law of the State of New York to assist entities eligible under the federal tax laws in obtaining tax-exempt- and taxable bond financing.

Build NYC is a self-supporting entity and follows enterprise fund reporting. Enterprise fund statements offer short-term and long-term financial information about the Corporation's activities. The Corporation's financial reporting is presented in a manner similar to a private business.

Financial Analysis of the Corporation

Net Position–The following table summarizes the Corporation's financial position at June 30, 2019, 2018, and 2017, and the percentage changes between June 30, 2019, 2018, and 2017:

	2019	2018	2017	% Change 2019–2018	% Change 2018–2017
Current assets	$ 7,766,503	$ 9,955,494	$ 10,643,375	(22)%	(6)%
Non-current assets	3,010,297	–	1,009,423	100	(100)
Total assets	10,776,800	9,955,494	11,652,798	8	(15)
Current liabilities	222,325	97,836	290,502	127	(66)
Total unrestricted net position	$ 10,554,475	$ 9,857,658	$ 11,362,296	7	(13)

In fiscal year 2019, total assets increased by $821,306 or 8% primarily as a result of additional strategic investments in highly rated debt securities. These investments were facilitated by positive results in the Corporation's operating activities as described below.

In fiscal year 2018, total assets decreased by $1,697,304 or 15% primarily as a result of a reduction in current assets to cover the operating net deficit. Additionally, a call redemption of all long-term investments at year-end resulted in the elimination of non-current assets.

As a result of a change in fee revenue generated from an increased number of bond transactions and the reduction of the Corporation's contractual obligations, net position increased by $696,817 or 7% in fiscal year 2019 and by comparison to a decrease of 13% in fiscal year 2018.

Operating Activities

Build NYC was organized to assist entities in obtaining tax-exempt and taxable bond financing. Build NYC's primary goal is to facilitate access to private activity tax-exempt bond financing for entities to acquire, construct, renovate, and/or equip their facilities as well as refinance previous financing transactions.

Operating Activities (continued)

The Corporation charges various program fees that include application fees, financing fees, and compliance fees.

The following table summarizes changes in Build NYC's net position for fiscal years 2019, 2018, and 2017 and the percentage changes between June 30, 2019, 2018, and 2017:

	2019	2018	2017	% Change 2019-2018	% Change 2018-2017
Operating revenues	$ 2,819,605	$ 1,779,797	$ 3,565,650	58%	(50)%
Operating expenses	2,228,687	3,383,978	3,385,800	(34)	(0.1)
Operating income (loss)	590,918	(1,604,181)	179,850	137	(992)
Non-operating revenues (expenses)	105,899	99,543	(163,217)	6	(161)
Change in net position	$ 696,817	$ (1,504,638)	$ 16,633	146	(9,114)

Fiscal Year 2019 Activities

In fiscal year 2019, operating revenues increased by $1,039,808 or 58%. This is a direct result of an increase in fee revenue generated from the closing of more bond transactions as compared to 2018.

Total operating expenses decreased by $1,155,291 in fiscal year 2019 or 34%, as a result of a decrease in the board approved contracted management fee paid to New York City Economic Development Corporation (NYCEDC), a not-for-profit corporation which provides Build NYC with all required professional, administrative and technical staff assistance.

The non-operating revenue (expense) category had a total increase of $6,356 in fiscal year 2019, a 6% increase over prior year, primarily due to an increase in investment income which was partially offset by increased expenses for the renovation of a power station at BerkleeNYC, one of several special project commitments.

Fiscal Year 2018 Activities

In fiscal year 2018, operating revenues decreased by $1,785,853 or 50%. This is a direct result of a decrease in fee revenue generated from bond transactions and the one-time recaptured benefits revenue in 2017.

Total operating expenses decreased by $1,822 in fiscal year 2018 or 0.1%, as a result of a decrease in advertising and marketing expenses.

The non-operating expense/revenue category had a total increase of $262,760 in fiscal year 2018, a 161% increase year over year, primarily due to an increase in investment income.

Contacting the Corporation's Financial Management

This financial report is designed to provide our customers, clients and creditors with a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the resources at its disposal. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer, Build NYC Resource Corporation, One Liberty Plaza, New York, NY 10006.

Build NYC Resource Corporation
(A Component Unit of the City of New York)

Statements of Net Position

	June 30 2019	June 30 2018
Assets		
Current assets:		
Cash and cash equivalents *(Note 3)*	$ 2,353,218	$ 3,563,619
Investments *(Note 3)*	5,399,625	6,384,025
Fees receivable	13,660	7,850
Total current assets	7,766,503	9,955,494
Non-current assets:		
Investments *(Note 3)*	3,010,297	–
Total non-current assets	3,010,297	–
Total assets	10,776,800	9,955,494
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	36,295	45,300
Due to New York City Economic Development Corporation	162,681	14,937
Unearned revenue and other liabilities	23,349	37,599
Total current liabilities	222,325	297,836
Net position – unrestricted	$ 10,554,475	$ 9,857,658

See accompanying notes.

Build NYC Resource Corporation
(A Component Unit of the City of New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30	
	2019	**2018**
Operating revenues		
Fee income *(Note 2)*	**$ 2,819,605**	$ 1,779,797
Total operating revenues	**2,819,605**	1,779,797
Operating expenses		
Management fees *(Note 4)*	**2,178,000**	3,300,000
Public hearing expenses	**13,260**	33,993
Auditing expenses	**34,500**	46,272
Marketing expenses	**1,194**	1,537
Other expenses	**1,733**	2,176
Total operating expenses	**2,228,687**	3,383,978
Operating income (loss)	**590,918**	(1,604,181)
Non-operating revenues (expenses)		
Investment income	**233,801**	129,543
Special projects costs *(Note 5)*	**(127,902)**	(30,000)
Total non-operating revenues (expenses)	**105,899**	99,543
Change in net position	**696,817**	(1,504,638)
Unrestricted net position, beginning of year	**9,857,658**	11,362,296
Unrestricted net position, end of year	**$ 10,554,475**	$ 9,857,658

See accompanying notes.

Build NYC Resource Corporation
(A Component Unit of the City of New York)

Statements of Cash Flows

	Year Ended June 30	
	2019	2018
Operating activities		
Financing and other fees	**$ 2,799,545**	$ 1,753,916
Management fees paid	**(2,178,000)**	(3,300,000)
Audit expenses paid	**(16,585)**	(44,020)
Marketing expenses paid	**–**	(1,194)
Public hearing expenses paid	**(23,265)**	(32,047)
Miscellaneous expenses paid	**–**	(90)
Net cash (used in) provided by operating activities	**581,695**	(1,623,434)
Investing activities		
Interest income	**31,862**	9,318
Sale of investments	**15,958,924**	11,195,348
Purchase of investments	**(17,782,882)**	(8,365,138)
Net cash (used in) provided by investing activities	**(1,792,096)**	2,839,528
Non-capital financing activities		
Special projects	**–**	(198,293)
Net cash used in non-capital financing activities	**–**	(198,293)
Net (decrease) increase in cash and cash equivalents	**(1,210,401)**	1,017,801
Cash and cash equivalents at beginning of year	**3,563,619**	2,545,818
Cash and cash equivalents at end of year	**$ 2,353,218**	$ 3,563,619
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities		
Operating income (loss)	**$ 590,918**	$ (1,604,181)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:		
Changes in operating assets and liabilities:		
Fees receivable	**(5,810)**	5,120
Accounts payable and accrued expenses	**(9,005)**	3,791
Due to NYC Economic Development Corp.	**19,842**	2,837
Unearned revenue and other liabilities	**(14,250)**	(31,001)
Net cash (used in) provided by operating activities	**$ 581,695**	$ (1,623,434)

See accompanying notes.

Build NYC Resource Corporation
(A Component Unit of the City of New York)

Notes to Financial Statements

June 30, 2019

1. Background and Organization

Build NYC Resource Corporation (Build NYC or the Corporation), a component unit of the City of New York (the City), is a local development corporation, organized under section 1411 of the Not-For-Profit Corporation Law of the State of New York that commenced operation in 2011. Build NYC was organized to assist entities under the federal tax laws in obtaining tax-exempt and taxable bond financing. Build NYC's primary goal is to facilitate access to private activity tax-exempt bond financing for eligible entities to acquire, construct, renovate, and/or equip their facilities and to refinance previous financing transactions.

The Corporation is governed by a Board of Directors, which establishes official policies and reviews and approves requests for financial assistance. Its membership is prescribed by the Corporation's Certificate of Incorporation and By-Laws which include a public official and appointees of the Mayor.

Bonds issued by Build NYC are special nonrecourse conduit debt obligations of the Corporation which are payable solely from the payments and revenues provided for in the loan agreements with participating organizations (Beneficiaries). The bonds are secured by collateral interests in the loan agreements and other security provided by the Beneficiaries. Both the bonds and certain provisions of the loan agreements are administered by independent bond trustees appointed by the Corporation.

The total conduit debt obligations outstanding totaled $3,244,716,934 and $2,995,456,576 for the years ended June 30, 2019 and 2018, respectively.

Due to the fact that (1) the bonds are nonrecourse conduit debt obligations of the Corporation, (2) the Corporation assigns its interests in the loan agreements as collateral, and (3) the Corporation has no substantive obligations under the loan agreements, the Corporation has, in effect, none of the risks and rewards of the loan agreements and related bond financing. Accordingly, with the exception of certain fees derived from financing transactions, these financing transactions are given no accounting recognition in the accompanying financial statements.

2. Summary of Significant Accounting Policies

Basis of Presentation

Build NYC has been classified as an "enterprise fund" as defined by the Governmental Accounting Standards Board (GASB) and, as such, the financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. In its accounting and financial reporting, Build NYC follows the pronouncements of the GASB.

Updated Pronouncements

GASB Statement No. 91, *Conduit Debt Obligations,* was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the current definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

The Statement is effective for fiscal years beginning after December 15, 2020. The Corporation is in the process of evaluating the impact of its adoption on the financial statements.

Cash Equivalents

The Corporation considers all highly liquid investments purchased with original maturities of 90 days or less to be cash equivalents.

Investments

Investments held by Build NYC are recorded at fair value.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Operating revenues consist of income from application fees, financing fees, recaptured benefits, compliance monitoring fees and late fees. Application and financing fees are recognized as earned. Build NYC's recapture of benefits are solely based upon the mortgage recording tax waiver; this benefit eliminates the mortgage recording taxes correlated with any mortgages taken for the project. Recapture of this benefit is collected as a result of a violation of the agreement. Compliance monitoring fees are received annually, in advance, and deferred and amortized into income as earned.

Build NYC's operating expenses include management fees and related administration expenses. All other revenues and expenses are reported as non-operating revenues and expenses.

3. Deposits and Investments

At year-end, Build NYC's cash and cash equivalent bank balance was $2,356,788. Of this amount, $250,000 was insured by the Federal Depository Insurance Corporation. Of the remaining balance, $1,344,311 was invested in US government money market funds.

Fair Value Measurement – Fair Value hierarchy categorizes the inputs to valuation techniques used to measure fair value into the following levels:

Level 1 – value based on quoted prices in active markets for identical assets.

Level 2 – value based on significant other observable inputs such as a matrix pricing technique. Matric pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Level 3 – value based on inputs that are unobservable and significant to the fair value measurement such as discounted cash flows.

Money Market Funds, categorized as Level 1 inputs, are valued at the unadjusted prices that are quoted in active principal markets for identical assets. US Agencies securities, categorized as Level 2, are valued on models using observable inputs

3. Deposits and Investments (continued)

As of June 30, 2019 and 2018, the Corporation had the following investments (in thousands). Investments maturities are shown only for June 30, 2019.

	Fair Value		2019 Investment Maturities (In Years)	
	2019	2018	Less Than 1	1 to 2
Money Market Funds	$ 1,344	$ 2,563	$ 1,344	$ –
Federal Farm Credit Bank	3,010	–	–	3,010
Federal Home Loan Bank Notes	–	1,004	–	–
US Treasury Notes	2,452	1,998	2,452	–
Commercial Paper	2,948	3,382	2,948	–
Subtotal Investments	9,754	8,947		
Less investments classified as cash equivalents	(1,344)	(2,563)		
Total Investments	$ 8,410	$ 6,384		

Interest Rate Risk: The Corporation has a formal investment policy, which limits investment maturities up to a maximum of two years from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates. Except for holdings in Federal Farm Credit Bank Notes, all of the Corporation's current investments have maturities of one year or less.

Credit Risk: It is the Corporation's policy to limit its investments in debt securities to those rated in the highest rating category by at least two nationally recognized bond rating agencies or other securities guaranteed by the U.S. government. As of June 30, 2019, the Corporation's investments in Federal Farm Credit Bank (FFCB) and U.S. Treasury Notes were rated AA+ by Standard & Poor's (S&P), Aaa by Moody's and AAA by Fitch Ratings. Money market funds share the same credit ratings as the Corporation's federally held securities with the exception of S&P, which does not rate such funds. Investments in commercial paper (CP) were rated in the highest short-term category by at least two major rating agencies (A-1+ by Standard & Poor's, P-1 by Moody's, and F1+ by Fitch Ratings).

3. Deposits and Investments (continued)

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of the counterparty. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the Corporation. The Corporation manages this credit risk by limiting its custodial exposure to highly rated institutions and/or requiring high quality collateral be held by the counterparty in the name of the Corporation.

Concentration of Credit Risk: The Corporation places no limit on the amount it may invest in any U.S. government backed securities. The following table shows investments that represent 5% or more of total investments as of June 30, 2019 and 2018 (dollars in thousands):

	Dollar Amount and Percentage of Total Investments			
Issuer	**June 30, 2019**		**June 30, 2018**	
Federal Home Loan Bank	$ –	–%	$ 1,004	15.72%
Federal Farm Credit Bank	**3,010**	**35.79**	–	–
US Treasury Notes	**2,452**	**29.15**	1,998	31.30
CP-American Honda Finance Corp	–	–	999	15.65
CP-Nat'l Sec Clearing Corp	–	–	2,383	37.32
CP-Coca-Cola Co.	**984**	**11.70**	–	–
CP-Apple Inc	**983**	**11.69**	–	–
CP-JP Morgan Securities LLC	**981**	**11.66**	–	–

4. Management Fee

To support the activities of Build NYC, the Corporation annually enters into a contract with the New York City Economic Development Corporation (NYCEDC), a not-for-profit corporation and a component unit of the City organized to administer economic development programs which foster business expansion in the City. Under the terms set forth in the contract, NYCEDC provides Build NYC with all the professional, administrative and technical staff assistance it needs to accomplish its objectives. The fixed annual fee for these services under the agreement between NYCEDC and the Corporation is $2,178,000 and $3,300,000 for the years ended June 30, 2019 and 2018, respectively.

5. Commitments

Pursuant to board approved agreements between Build NYC and NYCEDC, Build NYC committed to fund two projects being performed by NYCEDC relating to the City's community and economic development initiatives. Total special project commitments under these agreements amounted to approximately $3,075,000 with an outstanding obligation at June 30, 2019, of $2,872,098. The special project commitments, related approval, dates, original and outstanding commitment balances are as follows:

Project	Approval Date	Total Commitment	Life To-Date	Current Total De-Obligate	Outstanding Commitment
Nonprofit Real Estate Lecture Series	12/13/2016	$ 75,000	$ 57,093	$ 17,907	$ –
Power Station at BerkleeNYC	11/8/2017	3,000,000	127,902	–	2,872,098
		$ 3,075,000	$ 184,995	$ 17,907	$ 2,872,098

For the year ended June 30, 2019, $127,902 has been incurred by the Corporation relating to the above project, and said costs are included in special project costs on the accompanying statements of revenue, expenses and changes in net position.

6. Risk Management

Although there should not be any liability for personal injuries as a result of its lending activities, Build NYC has been named a party to one personal injury litigation. Build NYC requires all project companies to purchase and maintain commercial insurance coverage for these risks and to name Build NYC as additional insured and is covered as an additional insured on the project company's commercial insurance coverage for the currently pending personal injury litigation. Build NYC is also named as an additional insured on NYCEDC's general liability policy. In management's opinion, the personal injury litigation is not expected to have a materially adverse effect on the financial position of Build NYC.

II. Government Auditing Standards Section

Ernst & Young LLP
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New York, NY 10036

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EY
Building a better working world

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

The Management and the Board of Directors
Build NYC Resource Corporation

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Build NYC Resource Corporation (the Corporation), a component unit of The City of New York, which comprise the statement of net position as of June 30, 2019, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Building a better working world

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst + Young LLP

September 30, 2019

Exhibit B

Build NYC Resource Corporation

Project Summary

Manhattan Country School, (the "School" or "MCS"), a New York not-for-profit corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or West 85th Street Owner LLC, a Delaware limited liability company, the sole member of which is the School (collectively, the "Affiliate"), as borrower, is seeking approximately $30,000,000 in tax-exempt and taxable bonds (the "Bonds"). Proceeds from the Bonds will be used to: (a) refinance all or a portion of the Build NYC Resource Corporation Revenue Bonds (Manhattan Country School Project), Series 2016, currently outstanding in the aggregate principal amount of $21,200,000, the proceeds of which were applied to: (1) refinance taxable debt incurred by the School and/or the Affiliate, the proceeds of which were used to acquire a 33,566 square foot, six floor building located on a 7,663 square foot parcel of land at 150 West 85th Street, New York, New York 10024 (the "Facility"); and (2) finance the renovation, furnishing and equipping of the Facility, with the building currently being 41,557 square feet; (b) finance or refinance the costs of construction, renovation and equipping of the Facility, including the installation of a new elevator and the addition of four classrooms; (c) finance a debt service reserve fund and capitalized interest; (d) finance a working capital and operating reserve fund; and (e) pay for certain costs and expenses associated with the issuance of the Bonds. The Facility is owned by the Affiliate and will be operated by the School as a co-educational day school serving students in pre-kindergarten through eighth grade.

Project Location

150 W 85th Street
New York, NY 10024

Actions Requested

- Bond Approval and Authorizing Resolution.
- Adopt a SEQRA determination that the proposed project is an Unlisted action.

Anticipated Closing

January 2020

Impact Summary

Employment	
Jobs at Application:	97
Jobs to be Created at Project Location (Year 3):	8
Total Jobs (full-time equivalents)	**105**
Projected Average Hourly Wage (excluding principals)	**$33.71**
Highest Wage/Lowest Wage	**$39.13/$20.23**

Estimated City Tax Revenues	
Impact of Operations (NPV 30 years at 6.25%)	$10,161,698
One-Time Impact of Renovation	$58,771
Total impact of operations and renovation	**$10,220,469**
Additional benefit from jobs to be created	**$822,119**

Noah Schumer, SIG
Jill Braverman, LGL

Nixon Peabody LLP
Project Number - 9140

Manhattan Country School

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	$477,913
NYC Forgone Income Tax on Bond Interest	$279,655
Corporation Financing Fee	$(233,075)
Total Cost to NYC Net of Financing Fee	**$524,493**
Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Job in Year 3	$4,995
Estimated City Tax Revenue per Job in Year 3	$105,168

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	$345,568
NYS Forgone Income Tax on Bond Interest	$1,052,120
Total Cost to NYS	**$1,397,688**
Overall Total Cost to NYC and NYS	**$1,922,181**

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	$429,000	1%
Taxable Bonds Proceeds	$2,000,000	92%
Tax-Exempt Bonds Proceeds	$27,410,000	7%
Total	**$29,839,000**	**100%**

Uses	Total Amount	Percent of Total Costs
Refinancing of Existing Loan	$20,897,043	70%
Renovation Costs	$2,100,000	7%
Capitalized Interest	$2,871,350	10%
Debt Service Reserve Fund	$989,213	3%
Operating Capital Fund	$2,000,000	7%
Closing Fees	$981,394	3%
Total	**$29,839,000**	**100%**

Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	$233,075	
Bond Counsel	$135,000	
Annual Corporation Fee	$1,250	$16,755
Bond Trustee Acceptance Fee	$500	
Annual Bond Trustee Fee	$500	$6,702
Trustee Counsel Fee	$5,000	
Total	$375,325	$23,457
Total Fees	**$398,782**	

Financing and Benefits Summary

The School seeks authorization for the tax-exempt and taxable Bonds to be issued and sold as a limited public offering or private placement with an investment fund, or funds. D.A. Davidson & Co. will serve as the underwriter or placement agent. It is estimated that the first interest payment will occur on July 1, 2020, and that the Bonds will have an interest-only period until July 1, 2023, and afterward will begin amortizing until the final maturity date of July 1, 2050. It is anticipated that the Bonds will be secured by a first mortgage lien on the Facility at 150 W 85th St., and by a gross revenues pledge of the School. It is expected that the Bonds will have a fixed interest rate between 5.00% and 6.50%, and that the School will maintain a debt service coverage ratio of at least 1.2x when the Bonds begin amortizing.

Applicant Summary

Founded in 1966, MCS is an independent school serving students in pre-K through eighth grade school providing a progressive education grounded in diversity, equality, social justice, and sustainability. Reflecting the vision of the Civil Rights Movement, the School teaches students in a community with no racial majority and broad economic diversity. The School's goals for students are academic excellence, intellectual freedom, social awareness, self-confidence and first-hand knowledge of the natural world. The School is unique among New York City independent schools in having a 180-acre working farm in the Catskill Mountains that is integral to the curriculum. MCS also has a sliding scale tuition system, whereby families pay a tuition rate that is determined in equitable proportion to their assets and annual income, underlining the School's commitment to economic diversity.

Michèle Solá, Director

Michèle Solá became the director of the School in 1997, after 15 years as the Upper School Spanish teacher and Director of Special Projects. She helped the School expand its culture of professional development and to realize its public mission, through a sister school exchange for MCS alumni and faculty with schools in Nicaragua, partnerships with New York City and Teaneck public schools, and a Gender Equity project. Since she became director, MCS faculty and farm faculty have presented at conferences on progressive education, diversity, sustainability, and activism. MCS has been awarded three Blackboard Awards, the Alf Evers Award for Excellence in Sustainability from The Catskill Center for Conservation and Development and been named a New York State Green Ribbon School. The Progressive Education Network (PEN) has also recognized the School for its groundbreaking youth activism projects. In addition, the Children's Environmental Literacy Foundation, Center for Environmental Education, and the Orfalea Foundation have profiled the school as a model of environmental education. She is a graduate of Cornell University (B.A.), Indiana University (M.A.T.), and Boston University (Ed.D.). She received an Ansin Award for intercultural dissertation research and was selected as a Visiting Fellow at the Klingenstein Center at Columbia University.

Nancy Diekmann, Director of Finance

Nancy Diekmann has been the Director of Finance at MCS since 2008 and has served on the Business Affairs Committee of the New York State Association of Independent Schools (NYSAIS), as well as the finance representative on several accreditation teams for NYSAIS. Nancy has served as the Treasurer and President of the Board of Trustees of Stevens Cooperative School in Hoboken, New Jersey and Treasurer of the Parents Association at Trevor Day School in NYC. Nancy graduated from Clark University in Worcester, Massachusetts. She was the co-founder and managing director of New England Repertory Theatre in Worcester before relocating to New York. In NYC, she first worked as an administrator and director of the annual theatre conference at Theatre Communications Group, the national service organization for nonprofit theatres, and subsequently became the first managing director of New York Theatre Workshop (NYTW), a nonprofit off-Broadway theatre company. In 1996, NYTW mounted the first production of the awarding-winning musical RENT, by Jonathan Larson. Ms. Diekmann left NYTW in 1997 to run the newly founded Jonathan Larson Performing Arts Foundation. The Foundation's mission was to support and encourage composers, lyricists and book writers working in the American musical theatre. While at the Foundation, Ms. Diekmann served on the board of Philanthropy New York.

Manhattan Country School

Dr. Gisele Shorter, PhD, Chair—Board of Trustees
Gisele Shorter, a 1991 graduate of the School, has been a member of the Board of Trustees since 2015, and Chair of the Board since 2018. Ms. Shorter is currently a Program Officer for Education with the Raikes Foundation. Prior to that, she was the Vice President for Policy and Partner Engagement at Turnaround for Children, an education non-profit. She earned an Ed.D. in health education from Columbia University Teachers College, holds an M.P.A. from Long Island University, and a B.A. from Amherst College.

Employee Benefits
The School offers comprehensive health insurance to employees who work at least 20 hours per week, COBRA, a flexible spending plan, transit reimbursement accounts, life insurance, and disability coverage.

SEQRA Determination
Unlisted action which, if implemented, will not potentially result in significant environmental impacts. Staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Corporation staff.

Due Diligence
The Corporation conducted a background investigation of the School and its principals and found no derogatory information.

Compliance Check:	Not Applicable
Living Wage:	Exempt
Paid Sick Leave:	Compliant
Private School Policy:	Compliant
Affordable Care Act:	Compliant
Bank Account:	Flushing Bank
Bank Check:	Relationships are reported to be satisfactory
Supplier Checks:	Relationships are reported to be mixed
Customer Checks:	Not Applicable
Unions:	Not Applicable
Vendex Check:	No derogatory information was found
Attorney:	Andrew Lance, Esq. Gibson, Dunn, & Crutcher LLP 200 Park Avenue New York, NY 10166

Manhattan Country School

Accountant:

Ted Kirschenbaum
Buchbinder Tunic & Company LLP
One Pennsylvania Plaza, Ste 5335
New York, NY 10119

Consultant/Advisor:

Sunil Aggarwal
ThinkForward Financial Group
27 Whitehall St.
New York, NY 10004

Community Board:

Manhattan, CB-7

MANHATTAN COUNTRY SCHOOL

August 27, 2019

Board of Directors
Build NYC Resource Corporation
One Liberty Plaza
New York, NY 10006

Dear Board Members,

West 85th Street Owner LLC (the "Applicant"), on behalf of Manhattan Country School, Inc. ("MCS" or the "School"), is pleased to submit this application to Build NYC Resource Corporation requesting the issuance of tax-exempt bonds and other benefits for the School's refinancing project.

Since its opening in 1966, Manhattan Country School has been committed to providing students from pre-K through eighth grade with a progressive education grounded in diversity, equality, social justice and sustainability. MCS, a 501(c)(3) non-profit organization, is recognized as a model of both progressive education and socioeconomic, racial and ethnic diversity. The School has a sliding scale tuition policy and its graduates receive a first-class education that provides a deep understanding of our multicultural world and preparation for some of the nation's top high schools and colleges. The School's Farm program engages students with the natural processes that support life and provides an unparalleled experience of community.

In January of 2015, the School relocated its school to 150 West 85 Street from 7 East 96th Street. This move was undertaken in order to accommodate the School's rapid enrollment growth, which has increased to 310 students from about 200 students in 2015, and projects to reach 400 students over the next four years. The School purchased the property at a cost of about $22 million and has undertaken about $10 million of renovations. The purchase price was financed with a bridge loan that was refinanced with the proceeds of sale of its former 96th Street facility and a $22 million tax-exempt bond issued through Build NYC in April of 2016.

The School is seeking $30 million in bond financing from the agency, as well as waiver of mortgage recording taxes on the bonds. Proceeds of the bonds would be used to refinance the 2016 bonds, which will reduce the interest rate on the bonds, and obtain additional capital to complete renovations.

The requested benefits will enable to School to keep operating costs, debt service and tuition as low as possible and facilitate continued enrollment growth, enabling the School to expand its mission of providing a progressive education to city students.

We look forward to working with Build NYC on this financing. If you have any questions or additional requests, please do not hesitate to ask.

Sincerely,

Michèle Solá

Michèle Solá, Director
Manhattan Country School, Inc.

<u>Exhibit C</u>

Resolution approving financing of a facility for Manhattan Country School and West 85th Street Owner LLC and authorizing the issuance and sale of approximately $30,000,000 of Revenue Bonds (Manhattan Country School Project), Series 2019 and the taking of other action in connection therewith

WHEREAS, Build NYC Resource Corporation (the "Issuer") is authorized pursuant to Section 1411(a) of the Not-For-Profit Corporation Law of the State of New York, as amended (the "N-PCL"), and its Certificate of Incorporation and By-Laws (i) to promote community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of The City of New York (the "City") by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access tax-exempt and taxable financing for their projects; (ii) to issue and sell one or more series or classes of bonds, notes and other obligations through private placement, negotiated underwriting or competitive underwriting to finance such activities above, on a secured or unsecured basis; and (iii) to undertake other eligible projects that are appropriate functions for a non-profit local development corporation for the purpose of relieving and reducing unemployment, promoting job opportunities, carrying on scientific research for the purpose of aiding the City by attracting new industry to the City or by encouraging the development of or retention of an industry in the City, lessening the burdens of government and acting in the public interest; and

WHEREAS, Manhattan Country School, a not-for-profit education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Applicant"), and West 85th Street Owner LLC, a single purpose New York limited liability company that is a disregarded entity for federal income tax purposes and having as its sole member the Applicant (the "Affiliate"), have entered into negotiations with officials of the Issuer for the Issuer's assistance with a tax-exempt and taxable revenue bond transaction, the proceeds of which, together with other funds of the Applicant, will be used by the Applicant or the Affiliate to: (a) refinance all or a portion of the Issuer's Revenue Bonds (Manhattan County School Project), Series 2016, currently outstanding in the aggregate principal amount of $21,200,000, the proceeds of which were applied to: (1) refinance taxable debt incurred by the Applicant and/or the Affiliate, the proceeds of which were used to acquire an approximately 33,566 square foot building located on an approximately 7,663 square foot parcel of land at 150 West 85th Street, New York, New York 10024 (the "Facility"); and (2) finance the renovation, furnishing and equipping of the Facility, with the Facility currently being 41,557 square feet; (b) finance or refinance the costs of construction, renovation and equipping of the Facility, including the installation of a new elevator and the addition of four classrooms; (c) finance a debt service reserve fund and capitalized interest; (d) finance a working capital and operating reserve fund; and (e) pay certain costs of issuance of the bonds (collectively, the "Project"); and

WHEREAS, the Facility is owned by the Affiliate and operated by the Applicant as a co-educational day school serving students in pre-kindergarten through grade 8; and

WHEREAS, the Applicant has submitted an Application (the "Application") to the Issuer to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant, the Affiliate and the Project, including the following: that the Applicant is a not-for-profit education corporation that provides educational services in the City; that the Affiliate was formed for the purpose of benefiting and supporting the charitable and educational activities of the Applicant and to own the Facility; that there are approximately 97 full-time equivalent employees (excluding principals) of the Applicant employed at the Facility; that the financing of the Project costs with the Issuer's financing assistance will provide savings to the Applicant and the Affiliate which will allow it to redirect financial resources to provide educational services and continue its programs with a greater measure of financial security; and that, therefore the Issuer's assistance is necessary to assist the Applicant and the Affiliate in proceeding with the Project; and

WHEREAS, the Issuer desires to further encourage the Applicant and the Affiliate with respect to the financing of the Facility, if by so doing it is able to induce the Applicant to proceed with the Project; and

WHEREAS, in order to finance a portion of the cost of the Project, the Issuer intends to issue its Revenue Bonds (Manhattan Country School Project), in one or more series, on a tax-exempt or taxable basis, in the aggregate principal amount of approximately $30,000,000, or such greater amount (not to exceed 10% more than such stated amount) (the "Bonds") each as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination"), all pursuant to an Indenture of Trust (the "Indenture"), to be entered into between the Issuer and U.S. Bank National Association, or a trustee to be appointed by the Issuer (the "Trustee"); and

WHEREAS, the Issuer intends to loan the proceeds of the Bonds to the Affiliate and/or the Applicant pursuant to a Loan Agreement (the "Loan Agreement") to be entered into between the Issuer and the Affiliate and/or the Applicant, and the Affiliate and/or the Applicant will execute one or more promissory notes in favor of the Issuer and endorsed to the Trustee (collectively, the "Promissory Note") to evidence the Affiliate and/or the Applicant's obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Applicant's and/or the Affiliate's obligations under the Loan Agreement are to be secured by a mortgage lien on and security interest in the Facility, granted by the Affiliate and/or the Applicant, as mortgagor, to the Issuer and the Trustee, pursuant to one or more Mortgages (collectively, the "Mortgage"), which Mortgage will be assigned by the Issuer to the Trustee pursuant to an Assignment of Mortgage and Security Agreement from the Issuer to the Trustee (the "Assignment of Mortgage"); and

WHEREAS, the Bonds will be further secured by a guaranty from the Applicant to the Trustee and/or the Issuer (the "Guaranty") and a pledge and security interest in certain assets of the Applicant and the Affiliate pursuant to a Pledge and Security Agreement from the Applicant and the Affiliate to the Trustee (the "Pledge and Security Agreement"); and

NOW, THEREFORE, BE IT RESOLVED BY BUILD NYC RESOURCE CORPORATION AS FOLLOWS:

Section 1. The Issuer hereby determines that the financing of a portion of the costs of the Project by the Issuer will promote and is authorized by and will be in furtherance of the corporate purposes of the Issuer.

Section 2. The Issuer hereby approves the Project and authorizes the Applicant and the Affiliate to proceed with the Project as set forth herein, which Project will be financed in part through the issuance of the Bonds of the Issuer, which Bonds will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Loan Agreement and the Promissory Note.

Section 3. To provide for the financing of the Project, the issuance of the Bonds of the Issuer is hereby authorized subject to the provisions of this Resolution and the Indenture hereinafter authorized.

The Bonds shall be issued as fully registered bonds in one or more tax exempt series, shall be dated as provided in the Indenture, shall be issued as one or more serial and/or term bonds in an aggregate amount not to exceed $30,000,000, or such greater amount (not to exceed 10% more than such stated amount), and the Bonds shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable as to interest by check, draft or wire transfer as provided in the Indenture, shall bear interest at such rate(s) as determined by the Certificate of Determination, shall be subject to optional redemption and mandatory redemption as provided in the Indenture, shall be payable as provided in the Indenture until the payment in full of the principal amount thereof and shall mature not later than December 31, 2050 (or as determined by the Certificate of Determination), all as set forth in the Indenture hereinafter authorized.

The provisions for signatures, authentication, payment, delivery, redemption and number of Bonds shall be set forth in the Indenture.

Section 4. The Bonds shall be secured by the pledge effected by the Indenture and shall be payable solely from and secured by a pledge by the Issuer of revenues and receipts of the Issuer, including loan payments made by the Applicant and/or the Affiliate, to the extent set forth in the Loan Agreement and Indenture hereinafter authorized. The Loan Agreement will be secured by the Mortgage, which Mortgage will be assigned by the Issuer to the Trustee pursuant to the Assignment of Mortgage. The Bonds will be further secured by the Pledge and Security Agreement and the Guaranty. The Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the Bond Fund, the Project Fund, and such other funds as established under the Indenture (subject to disbursements therefrom in accordance with the Loan Agreement and the Indenture), and shall never constitute a debt of the State of New York or of The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the Bonds be payable out of any funds of the Issuer other than those pledged therefor.

Section 5. The Bonds may be sold pursuant to a private placement or a limited public offering by D.A. Davidson & Co., as placement agent or underwriter (the "Placement Agent") or in a direct purchase by a bank or other financial institution. The determination as to limited public offering, private placement or direct purchase, and the purchase price of the Bonds, shall be approved by a Certificate of Determination at the time of closing of the issuance of the Bonds.

Section 6. The execution and delivery of the Indenture, the Loan Agreement, a Tax Regulatory Agreement from the Issuer, the Applicant and the Affiliate to the Trustee, the Assignment of Mortgage, a Preliminary Private Placement Memorandum or Preliminary Limited Offering Memorandum, if necessary (the "Preliminary Offering Document"), a final Private Placement Memorandum or Limited Offering Memorandum, if necessary (the "Final Offering Document"), a Bond Purchase Agreement or Bond Placement Agreement among the Applicant, the Affiliate, the Issuer and the Placement Agent, if necessary (the "Bond Purchase Agreement" and the documents referenced in this Section 6 being, collectively, the "Issuer Documents") are hereby authorized. The Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Document. The execution and delivery of each such Issuer Document by said officer shall be conclusive evidence of due authorization and approval.

Section 7. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Issuer Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Issuer and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the members or directors thereof by the provisions of this Resolution and the Issuer Documents shall be exercised or performed by the Issuer or by such members, directors, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in any of the Issuer Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Issuer in his individual capacity, and neither the members or directors of the Issuer nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 8. The officers of the Issuer are hereby designated the authorized representatives of the Issuer and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Issuer Documents and the issuance of the Bonds.

Section 9. The Issuer is hereby authorized to cause the Applicant and the Affiliate to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Bonds, all as particularly authorized by the terms and provisions of the Loan Agreement. The Applicant and the Affiliate are authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Applicant and the Affiliate that neither the Issuer nor any of its members, directors, officers, employees, agents or servants shall have any personal liability for any action taken by the Applicant or the Affiliate for such purpose or for any other purpose.

Section 10. Any expenses incurred by the Issuer with respect to the Project and the financing thereof shall be reimbursed out of the proceeds of the Bonds or, in the event such proceeds are insufficient after payment of other costs of the Project or the Bonds are not issued by the Issuer, shall be paid by the Applicant. By accepting this Resolution, the Applicant agrees to pay such expenses and further agrees to indemnify the Issuer, its members, directors, officers, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer in good faith with respect to the Project and the financing thereof.

Section 11. In connection with the Project, the Issuer intends to grant the Applicant and the Affiliate financing assistance, respectively, in the form of the issuance of the Bonds and exemption of mortgage recording tax.

Section 12. Any qualified costs incurred by the Applicant and the Affiliate in initiating the Project shall be reimbursed by the Issuer from the proceeds of the Bonds in accordance with Treasury Regulation Section 1.150-2; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

Section 13. This Resolution is subject to the approval of a private investigative report with respect to the Applicant and the Affiliate, which approval shall be conclusively evidenced by the delivery of the Issuer Documents authorized pursuant to Section 6 hereof. The provisions of this Resolution shall continue to be effective until one year from the date hereof, whereupon the effectiveness of this Resolution shall terminate (except with respect to the matters contained in Section 10 hereof) unless (i) prior to the expiration date of such year the Issuer shall (x) have issued the Bonds for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Applicant and/or the Affiliate shall be continuing to take affirmative steps to secure financing for the Project.

Section 14. This Resolution is subject to further compliance with the provisions of Sections 103 and 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the Project and the Bonds.

Section 15. The Issuer, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Issuer's review of information provided by the Applicant and the Affiliate and such other information as the Issuer has deemed necessary and appropriate to make this determination.

The Issuer has determined that the proposed project, an Unlisted action, pursuant to SEQRA and the implementing regulations, will not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed project will not result in a substantial adverse change in existing traffic, air quality, or noise levels.

2. The proposed project would be located within an existing building and would not result in significant adverse impacts on the historic or aesthetic resources of the existing neighborhood.

3. The proposed project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.

4. The proposed project would not result in a change in existing zoning or land use. The school will be a use consistent with permitted uses in the existing building.

5. The proposed project does not involve any in-ground disturbance and would not result in any significant impacts related to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 16. The Issuer recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Issuer herein. The Issuer hereby authorizes the Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director or General Counsel of the Issuer to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the Certificate of Determination.

Section 17. This Resolution shall take effect immediately.

ADOPTED: November 5, 2019

MANHATTAN COUNTRY SCHOOL

____

Name:
Title:

Accepted: ___________, 2019

Exhibit D

Project Summary

The Consortium for Worker Education ("CWE"), a New York not-for-profit corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is seeking approximately $9,350,000 in tax-exempt revenue bonds (the "Bonds"). CWE will use the proceeds from the Bonds, together with other funds contributed by CWE, to: (i) finance the acquisition, renovation, furnishing, and equipping of an approximately 9,476 square foot commercial condominium comprising the entire third floor of a 20-story building located on an approximately 8,068 square foot parcel of land at 305 7th Avenue, New York, New York (the "Facility"), to be used by CWE for its workforce development and industry-specific training and employment services; (ii) pay for any required debt service reserve fund; and (iii) pay for certain costs related to the issuance of the Bonds.

Current Location

275 Seventh Avenue
New York, NY 10001

Project Locations

305 Seventh Avenue
New York, NY 10001

Actions Requested

Amended Bond Approval and Authorizing Resolution

Prior Actions

- Bond Approval and Authorizing Resolution on July 16, 2019.
- Adoption of a negative declaration for this project on July 16, 2019.

Anticipated Closing

December 2019

Revised Financing and Benefits Summary

On July 16, 2019, the Corporation's Board of Directors authorized the issuance and sale of approximately $8,500,000 (or such greater amount not to exceed such amount by more than 10%) in tax-exempt revenue bonds which would be directly purchased by M&T Bank, would have a term not exceeding ten (10) years, and would have a final maturity not exceeding thirty (30) years. However, CWE now seeks authorization for the Bonds to be issued and sold as a limited public offering. D.A. Davidson & Co. will serve as the underwriter. Selling the Bonds through a limited public offering rather than through a direct purchase will allow CWE to contribute less equity upfront and continue to direct these funds towards operations.

Emily Marcus, SIG
Caroline Nguyen, LGL

Katten Muchin Rosenman LLP
Project Number - 8071

Exhibit E

RESOLUTION AMEMNDING CERTAIN TERMS OF THE RESOLUTION APPROVING THE FINANCING OF A FACILITY FOR CONSORTIUM FOR WORKER EDUCATION AND AUTHORIZING THE ISSUANCE AND SALE OF APPROXIMATELY $8,500,000 TAX EXEMPT REVENUE BONDS (CONSORTIUM FOR WORKER EDUCATION PROJECT), SERIES 2019 AND THE TAKING OF OTHER ACTION IN CONNECTION THEREWITH

WHEREAS, Build NYC Resource Corporation (the "Issuer") is authorized pursuant to Section 1411(a) of the Not-for-Profit Corporation Law of the State of New York, as amended, and its Certificate of Incorporation and By-laws, (i) to promote community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of The City of New York (the "City") by developing and providing programs for not-for-profit applicants, manufacturing and industrial businesses and other entities to access tax-exempt and taxable financing for their eligible projects; (ii) to issue and sell one or more series or classes of bonds, notes and other obligations through private placement, negotiated underwriting or competitive underwriting to finance such activities above, on a secured or unsecured basis; and (iii) to undertake other projects within the City that are appropriate functions for a non-profit local development corporation for the purpose of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the City by attracting new industry to the City or by encouraging the development of or retention of an industry in the City, and lessening the burdens of government and acting in the public interest; and

WHEREAS, On July 16, 2019, the Issuer adopted a resolution (the "Initial Bond Resolution") authorizing approximately $8,500,000 tax exempt revenue bonds (Consortium for Worker Education Project), Series 2019, in the aggregate principal amount of approximately $8,500,000 (or such greater amount not to exceed such stated amount by more than 10%, as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination")) (the "Bonds") for the benefit of Consortium for Worker Education, a not-for-profit corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code (the "Applicant"); and

WHEREAS, the Bonds proceeds will be used to (i) finance the acquisition, renovation, furnishing and equipping of an approximately 9,476 square foot commercial condominium, comprising the entire third floor of a 20-story building located on an approximately 8,068 square foot parcel of land at 305 7th Avenue, New York, New York, (the "Facility), (ii) fund a debt service reserve fund, and (iii) fund certain costs relating to the issuance of the bonds and other costs relating to the Facility, which Facility will be owned and operated by the Applicant and used to provide workforce development and industry-specific training and employment services (collectively, the "Project"); and

WHEREAS, pursuant to the Initial Bond Resolution, the Bonds were authorized to be sold to Manufacturers and Traders Trust Company d/b/a M&T Bank, and/or any affiliate or subsidiary thereof on behalf of itself, or as lead financial institution in a syndicated participation, or any other financial institutions to be approved by a Certificate of Determination; and

WHEREAS, the Applicant has advised the Issuer that it has retained D.A. Davidson & Co. to act as underwriter (the "Underwriter") in connection with the sale of the Bonds to the purchasers of the Bonds; and

WHEREAS, the Agency and the Underwriter will enter into a bond purchase agreement (the "Bond Purchase Agreement") under which the Underwriter will agree to purchase the Bonds; and

WHEREAS, it is necessary in connection with the offering and sale of the Bonds for the Underwriter to distribute a Preliminary Limited Offering Memorandum and Limited Offering Memorandum (collectively, the "Offering Memorandum") relating to the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY BUILD NYC RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Bonds are hereby authorized to be sold at a purchase price as shall be approved by the Certificate of Determination.

Section 2. The execution and delivery of the Bond Purchase Agreement and the Offering Memorandum (collectively, the "Additional Issuer Documents"), each being substantially in the form approved by the Issuer for prior financings, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Additional Issuer Document. The execution and delivery of each such Additional Issuer Document by said officer shall be conclusive evidence of due authorization and approval.

Section 3. The Issuer hereby authorizes the distribution of the Offering Memorandum relating to the Bonds.

Section 4. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Additional Issuer Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Issuer and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the members thereof by the provisions of this Resolution and the Additional Issuer Documents shall be exercised or performed by the Issuer or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in any of the Additional Issuer Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Issuer in his or her individual capacity, and neither the members of the Issuer nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 5. The officers of the Issuer are hereby designated the authorized representatives of the Issuer, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Additional Issuer Documents and the issuance of the Bonds.

Section 6. This Resolution shall take effect immediately and shall amend and/or supplement the Initial Bond Resolution to the extent set forth herein.

Section 7. The Initial Bond Resolution is in all other respects ratified and confirmed.

Adopted: November 5, 2019