

Build NYC Resource Corporation Finance Committee Discussion

The Finance Committee convened on December 12, 2019 to discuss the following projects:

- Luria Academy of Brooklyn

Finance Committee Members: Barry Dinerstein, Jacques-Philippe Piverger, and Andrea Feirstein¹
Build NYC Staff Members: Krishna Omolade, Emily Marcus, and Noah Schumer

Start: 2:45 PM

End: 3:00 PM

Luria Academy of Brooklyn

Luria Academy of Brooklyn (the "School" or "Luria Academy"), 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"), as borrower, is seeking approximately \$9,685,000 in tax-exempt bonds (the "Bonds"). Proceeds from the Bonds will be used to: (i) finance the renovation, furnishing, and equipping of three floors and the roof (with each floor consisting of 9,000 square feet, and the roof consisting of 7,000 square feet, for a total of 34,000 square feet), of an existing building located on a 9,125 square foot parcel of land at 664-668 Bergen Street, Brooklyn, New York (the "Facility"), which space is expected to serve as the site of the School's fourth through eighth grades, including a gymnasium, library, kitchen, music room, art room, science and technology lab, and administrative offices. The roof of the Facility is expected to be used as a playground, and there is an adjacent lot to the building, located at 670 Bergen Street, which the School plans to use for recreational activities and as a primary means of entry; (ii) fund a capitalized interest and debt service reserve fund; and (iii) pay for certain costs and expenses associated with the issuance of the Bonds (the "Project"). The financed improvements will be owned and operated by the School, which provides education services to students in preschool through grade 8.

Mr. Dinerstein asked whether the project had received any discretionary City approvals.

Mr. Schumer responded that the school had not required any discretionary permits to move forward with the project.

Mr. Dinerstein asked what the zoning of the area was.

Mr. Schumer responded that the zoning permitted Luria to construct a school at the project site, but that he would verify the exact zoning designation before the board meeting.

Mr. Piverger asked about the demographics of the school, particularly with regards to religious affiliation.

Ms. Schumer responded that the majority of students are Jewish, but that the school is open to students from all faiths. Moreover, the school has a strong representation of Jewish students across denominations. He continued that while the school has Judaism as part of its mission statement, it offers a secular education, and that tax-exempt bond proceeds would be utilized in accordance with all applicable regulations.

¹ Ms. Feirstein participated by phone.

Ms. Marcus and Mr. Omolade added that the Corporation had issued bonds for number of other schools with religious affiliations in the past.

The committee recommended the Project to seek authorization at the December 17th Board meeting.