

MINUTES OF THE  
MEETING OF THE BOARD OF DIRECTORS  
OF  
BUILD NYC RESOURCE CORPORATION  
HELD REMOTELY PURSUANT TO EXECUTIVE ORDER  
ISSUED BY THE GOVERNOR OF THE STATE OF NEW YORK  
March 9<sup>TH</sup>, 2021

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

HeeWon Brindle-Khym  
Marlene Cintron  
Khary Cuffe  
Brian Cook, alternate for Scott M. Stringer,  
Comptroller of The City of New York  
Albert De Leon  
Pedram Mahdavi, alternate for Vicki Been,  
Deputy Mayor for Housing and Economic Development  
Anthony Del Vecchio  
Barry Dinerstein, alternate for Marisa Lago,  
Chair of the City Planning Commission of The City of New York  
Andrea Feirstein  
Jacques-Philippe Piverger  
James Prendamano  
Robert Santos  
Shanel Thomas  
Betty Woo, alternate for James Johnson,  
Corporation Counsel of The City of New York

Eric Clement, Senior Managing Director of New York City Economic Development Corporation ("NYCEDC"), convened the meeting of the Board of Directors of the Build NYC Resource Corporation ("Build NYC" or the "Corporation") at 9:31 a.m., at which point a quorum was present. The meeting was held pursuant to Executive Order 202.1 issued by the Governor of the State of New York, and all extensions to Executive Order 202.1 issued thereafter, remotely by conference call, during which interested members of the public were invited to listen in by dialing 1 (866) 868-1282 and entering the Passcode: 9636 862#.

1. Adoption of the Minutes of the January 19, 2021 Meeting Minutes

Mr. Clement, asked if there were any comments or questions relating to the minutes of the January 19, 2021 Board of Directors meeting. Prior to the Meeting a corrected version of the minutes was distributed to the Board of Directors. There were no further comments or questions; a motion to approve such minutes with the correction to the attendance was made, seconded and unanimously approved.

2. Financial Statements for January 2021 (Unaudited)

Christine Robinson, Assistant Vice President of NYCEDC, presented the Corporation's Financial Statements for the seven-month period ending January 31st, 2021 (Unaudited). Christine Robinson reported that for the seven-month period the Corporation recognized revenues from project finance fees from four transactions totaling approximately \$1.2 million. In addition, revenues derived from compliance, application, post-closing and termination fees amounted to \$197,000. Christine Robinson also reported that \$1.3 million in operating expenses, largely consisting of the monthly management fee, were recorded for the seven-month period that ended on January 31st, 2021 (Unaudited).

3. Officer Appointment - Assistant Treasurer

Krishna Omolade, Vice President for NYCEDC and Executive Director of the Corporation, presented for review and adoption a resolution to appoint Leslie Escobar as Assistant Treasurer of the Corporation. A motion was made to adopt the resolution. The motion was seconded and unanimously approved.

4. Officer Appointment - Assistant Secretary

Mr. Omolade presented for review and adoption a resolution to appoint Noah Schumer as Assistant Secretary of the Corporation. A motion was made to adopt the resolution. The motion was seconded and unanimously approved.

5. The Berkeley Carroll School

Noah Schumer, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$40,000,000 tax-exempt and taxable revenue note issuance for the benefit of The Berkeley Carroll School and recommended the Board adopt a SEQRA determination that the project will not have a significant adverse effect on the environment. Mr. Schumer described the project and its benefits, as reflected in Exhibit A.

Mr. Dinerstein stated that the Finance Committee reviewed this project and that the school would be able to meet their debt service because of their cash reserves and their strong enrollment rate. On behalf of the Finance Committee, Mr. Dinerstein recommended approval

of this project.

There being no comments or questions, a motion to approve the bond and authorizing resolution and SEQRA determination attached hereto as Exhibit B for the benefit of The Berkeley Carroll School was made, seconded and unanimously approved.

6. The ICS Foundation, Inc.

Mr. Schumer presented for review and adoption a bond approval and authorizing resolution for an approximately \$33,615,000,000 tax-exempt and taxable revenue bond issuance for the benefit of The ICS Foundation, Inc. Mr. Schumer described the project and its benefits, as reflected in Exhibit C.

Ms. Feirstein stated that the Finance Committee reviewed this project which will fund the development of a new school that fits a common structure similar to other charter school projects. Ms. Feirstein stated that there is an expectation that there will be a demand in terms of enrollment so on behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

Mr. Dinerstein stated that these charter schools have strong support from parents, a strong enrollment and a lot of community support. Mr. Dinerstein stated that these schools are able to use the Build NYC finance mechanism that helps them get a lower interest rate and save money, which is a positive thing. Mr. Dinerstein stated that this school does not have the same kind of reserves that some of the private schools have but he believes there is a commitment on the part of the City to fund them and to make good on their debt. Mr. Dinerstein stated that they're building new, state-of-the-art facilities that will almost certainly be used in the unlikely event that the school were to somehow lose funding or no longer be able to operate at the project location, so the Finance Committee is comfortable supporting these charter school funding requests.

There being no comments or questions, a motion to approve the bond and authorizing resolution and SEQRA determination attached hereto as Exhibit D for the benefit of The ICS Foundation, Inc. was made, seconded and unanimously approved.

7. Borrowers Macombs 1504, LLC, Jerome 2720, LLC and Gerard 501, LLC

Emily Marcus, an Assistant Vice President for NYCEDC and Deputy Executive Director of the Corporation, presented for review and adoption a bond approval and authorizing resolution for an approximately \$260,000,000 tax-exempt revenue bond issuance and an approximately \$20,000,000 taxable revenue bond issuance for the benefit of Borrowers Macombs 1504, LLC, Jerome 2720, LLC and Gerard 501, LLC and recommended the Board adopt a SEQRA determination that the Borrowers Macombs 1504, LLC, Jerome 2720, LLC and Gerard 501, LLC projects area each an Unlisted action and will not have a significant adverse effect on the environment. Ms. Marcus described the program and its benefits, as reflected in Exhibit E.

Mr. Del Vecchio stated that the Finance Committee reviewed this project and had many questions, which Corporation staff were able to answer. Mr. Del Vecchio stated that the Finance Committee was concerned about the relatively low debt service ratio across all three of the project locations, the ratings for each of these bonds, KIPP New York, Inc.'s ("KIPP") prior experience with similar projects of this size and their ability to maintain payment of the debt service. Mr. Del Vecchio stated that after discussing these issues with Corporation staff and their quick response with the answers to their questions the Finance Committee felt comfortable with this project. On behalf of the Finance Committee, Mr. Del Vecchio recommended approval of this project.

In response to a question from Ms. Cintron, Ms. Marcus stated that State Senator Gustavo Rivera and State Assembly Member Victor Pichardo testified at the public hearing. Ms. Cintron stated that this is one of the most financially challenging projects for the Corporation involving an educational institution. Ms. Cintron stated that normally the educational institutions that come before this Board have amazing endowments and reserves when compared with KIPP. Ms. Cintron thanked Corporation staff for their work on this project which is one of the biggest and best investments that the Corporation has made in the Bronx for as long as she has sat on this Board. Ms. Cintron stated that this is money well spent and that an investment in the children of the South Bronx is a very big deal. Ms. Cintron stated that she knows children who have attended and graduated from this school's system and that both of them are attending universities – one is studying to be a doctor and the other is playing football and majoring in economics. Ms. Cintron stated that she wished the City's Board of Education would follow this model because it is extremely effective with proven results.

There being no further comments or questions, a motion to approve the bond and authorizing resolution and SEQRA determination attached hereto as Exhibit F for the benefit of Borrowers Macombs 1504, LLC, Jerome 2720, LLC And Gerard 501, LLC was made, seconded and unanimously approved.

#### 8. St. Ann's School

Mac Thayer, an Assistant Vice President NYCEDC, presented for approval amendments to the Series 2015 Notes necessary to modify the interest rate and maturity date, approve an authorizing resolution for the Series 2021 Notes and recommended the Board adopt a SEQRA determination that the Series 2021 Project is an Unlisted action and will not have a significant adverse effect on the environment. Mr. Thayer described the program and its benefits, as reflected in Exhibit G.

Ms. Feirstein stated that when comparing Kipp's school to this one, St. Ann's School is more traditional than the private school projects. Ms. Feirstein stated that the Finance Committee did not have any further questions. On behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

Mr. Piverger stated that he will abstain from this particular vote because both of his children attend St. Ann's School. Mr. Piverger stated that he wished there more schools like this one and that he has been very impressed by the quality of the education and what they produce when it comes to the young people that they put out into the world.

There being no comments or questions, a motion to approve the amendments to the Series 2015 Notes, the authorizing resolution and SEQRA determination attached hereto as Exhibit H for the benefit of St. Ann's School was made, seconded and approved, with Mr. Piverger abstaining from the vote.

9. Friends of New World Prep, Inc.

Ms. Marcus presented for review and adoption an amended bond approval and authorizing resolution for the benefit of Friends of New World Prep, Inc. Ms. Marcus described the program and its benefits, as reflected in Exhibit I.

On behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

There being no comments or questions, a motion to approve the amended bond approval and authorizing resolution attached hereto as Exhibit J for the benefit of Friends of New World Prep, Inc. was made, seconded and approved, with Mr. Prendamano abstaining from the vote.

10. Cathedral School of St. John the Divine

Peter Ryan, an Assistant Vice President of NYCEDC, presented for approve a post-closing resolution necessary to allow Corporation staff to modify the interest rate and maturity date of the Series 2017 tax-exempt revenue bonds for the benefit of Cathedral School of St. John the Divine. Mr. Ryan described the program and its benefits, as reflected in Exhibit K.

There being no comments or questions, a motion to approve the post-closing resolution attached hereto as Exhibit L for the benefit of Cathedral School of St. John the Divine was made, seconded and unanimously approved.

11. 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 10:09 a.m.

A handwritten signature in black ink, appearing to read "Arthur Hauer", written over a horizontal line.

Assistant Secretary

Dated: April 27, 2021

New York, New York

**Exhibit A**

## Project Summary

The Berkeley Carroll School (the “School”), a New York not-for-profit education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is seeking approximately \$40,000,000 in tax-exempt and taxable revenue notes (collectively, the “Notes”). Proceeds from the Notes, together with other funds contributed by the School, will be used, as part of a plan of financing, to: (1) refinance all or a portion of the Build NYC Resource Corporation Series 2014 Bonds (the “2014 Bonds”, more details about which can be read in Annex I), as well as additional taxable debt, the proceeds of which were, in part, used to acquire a 2,750 square foot parcel of land and a 9,000 square foot building located at 703 Carroll Street, Brooklyn, New York (the “703 Carroll Street Facility”; collectively with the School’s facilities at 181 Lincoln Place, 712-716 Carroll Street, 152-156 Sterling Place, and 699 and 701 Carroll Street, the “Facilities”); (2) finance renovations to the 703 Carroll Street Facility, which will include upgrading the existing fire safety system, improving accessibility at the 703 Carroll Street Facility and increasing the size of the 703 Carroll Street Facility to 11,225 square feet, creating: (x) larger classrooms for the study of science, technology, engineering, art and math; (y) a cafeteria; and (z) a multipurpose gathering space for exhibitions, presentations, and meetings; (3) pay three interest rate swaps, outstanding in the aggregate principal amount of approximately \$2,000,000 incurred in connection with the issuance of the 2014 Bonds; (4) fund capitalized interest and one or more debt service reserve funds; and (5) pay for certain costs related to the issuance of the Notes.

## Current and Project Locations

699, 701 and 712-716 Carroll Street  
Brooklyn, New York 11215

152-156 Sterling Place  
Brooklyn, New York 11217

181 Lincoln Place  
Brooklyn, New York 11217.

703 Carroll Street  
Brooklyn, New York 11215

## Actions Requested

- Bond Approval and Authorizing Resolution
- Adopt a negative declaration for the Project. The Project will not have a significant adverse effect on the environment.

## Anticipated Closing

Summer 2021

## Impact Summary

Employment	
Jobs at Application:	233
Jobs to be Created at Project Location (Year 3):	21.5
<b>Total Jobs (full-time equivalents)</b>	<b>254.5</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$36.86</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$85.00/\$20.00</b>



## The Berkeley Carroll School

Estimated City Tax Revenues	
Impact of Operations (NPV 30 years at 6.25%)	\$31,120,299
One-Time Impact of Renovation	\$312,687
<b>Total impact of operations and renovation</b>	<b>\$31,432,986</b>
<b>Additional benefit from jobs to be created</b>	<b>\$2,613,448</b>

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$650,000
NYC Forgone Income Tax on Bond Interest	\$68,587
Corporation Financing Fee	(\$312,500)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$406,087</b>
<b>Costs of Benefits Per Job</b>	
Estimated Net City Cost of Benefits per Job in Year 3	\$1,596
Estimated City Tax Revenue per Job in Year 3	\$133,777

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$470,000
NYS Forgone Income Tax on Bond Interest	\$258,037
<b>Total Cost to NYS</b>	<b>\$728,037</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$1,134,124</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Tax-Exempt Notes	\$37,345,226	93%
Taxable Notes	\$2,654,774	7%
<b>Total</b>	<b>\$40,000,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Refinancing Tax-Exempt Debt	\$22,215,000	56%
Construction Hard Costs	\$7,000,000	17%
Refinancing Taxable debt	\$7,035,000	17%
Construction Soft Costs	\$2,000,000	5%
Furnishings, Fixtures, & Equipment	\$1,000,000	3%
Closing Fees	\$750,000	2%
<b>Total</b>	<b>\$40,000,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$312,500	
Bond Counsel	Hourly	
Annual Corporation Fee	\$1,250	\$16,755
<b>Total</b>	<b>\$313,750</b>	<b>\$16,755</b>
<b>Total Fees</b>	<b>\$330,505</b>	

## **The Berkeley Carroll School**

### **Financing and Benefits Summary**

The Notes are expected to be sold as a direct placement to First Republic Bank (the “Bank”), with D.A. Davidson & Co. serving as the placement agent. The Notes are expected to be issued as three series: the Series A Notes and the Series B Notes to be issued as tax-exempt notes in the aggregate principal amount of approximately \$37,500,000 (collectively, the “Tax-Exempt Notes”), and the Series C Notes to be issued as taxable notes in the principal amount of approximately \$2,500,000 (the “Taxable Notes”). The Tax-Exempt Notes and the Taxable Notes are expected to have a final maturity of approximately 30 years.

The indicative annual interest rates for the Tax-Exempt Notes are expected to be fixed at a range between 2.15% and 2.55% for 15 or 20 years, at the option of the School. From year 16 until maturity, the Tax-Exempt Notes will have a fixed rate of interest calculated as the 10-year treasury rate plus 160 basis points or from year 21 to maturity, the Tax-Exempt Notes will have a fixed rate of interest calculated as the 10-year treasury rate plus 140 basis points (or such other formula agreed upon by the School and the Bank). The Series A Notes will be repaid with monthly payments of principal and interest based on a 30-year amortization schedule. The Series B Notes will have a three-year interest-only period, followed by monthly payments of principal and interest based on a 27-year amortization schedule with a drawdown period of approximately 36 months.

The Taxable Notes are expected to have an indicative annual interest rate to range between 2.85% and 3.00% fixed for 15 or 20 years, at the option of the School. From year 16 until maturity, the Taxable Notes will have a fixed rate of interest calculated as the 10-year treasury rate plus 160 basis points or from year 21 to maturity, the Taxable Notes will have a fixed rate of interest calculated as the 10-year treasury rate plus 140 basis points (or such other formula agreed upon by the School and the Bank).

The Notes will be secured by (i) mortgage liens on real property located certain or all of the Facilities and (ii) a pledge and security interest in certain revenues and assets of the School.

Based on an analysis of the School’s financial statements, there is an expected debt service coverage ratio of 2.81x when the Notes begin amortizing.

### **Applicant Summary**

The School formed in 1982 out of a merger of two existing schools—The Carroll Street School and the Berkeley Institute. The School is an independent college-preparatory school located in the Park Slope neighborhood of Brooklyn. The School’s mission is to educate students in grades Pre-K through 12. In addition to academics, the School offers its students a wide-ranging arts and athletics curriculum, as well as a global education. Most prominently, lower school students avail themselves of the School’s partial Spanish immersion program, while middle and upper school students have opportunities to participate in the global programs in Costa Rica; Chinchotti, India; and Shompole, Kenya. The School currently serves 965 students and is accredited by the New York State Association of Independent Schools. The savings from the refinancing, in combination with the new issuance, will allow the School to invest in renovations at 703 Carroll St. to create separate academic spaces for the 4<sup>th</sup> and 5<sup>th</sup> grades, as well as enhance its programs by creating larger classrooms for STEAM (science, technology, engineering, art and math), a cafeteria, and a multipurpose gathering space for exhibitions, presentations, and meetings. The renovations will also allow for upgrades of fire sprinklers and accessibility.

#### **Lisa Yvette Waller, Ph.D., Head of School**

Dr. Lisa Waller joined the School in July 2019 as the Head of School. Prior to joining the School, Dr. Waller worked at the Dalton School in Manhattan where she was the Assistant Head of School for Progressive and Inclusive practice. During her 23 years at Dalton, she built upon a decade and a half of classroom teaching and student advising and held an impressive range of leadership and administrative roles. Dr. Waller started her tenure at Dalton as a History teacher and moved on to the roles of Associate Director of Admissions (K-12), Assistant to the Head of School for Academic Affairs and the Director of the High School and the Assistant Head of School for Progressive and Inclusive

## **The Berkeley Carroll School**

practice. Dr. Waller is a member of the Board of Trustees at her alma mater, Oberlin College, and the GO Project. She holds a Ph.D. in history from Duke University where she concentrated on social movements in the United States during the 20th century.

### **Chad Ruble, Chair of the Board**

Mr. Ruble has been a parent at the School since 2012. He is the founder of Tapgram, an assistive messaging platform for people who have difficulty with keyboards. He previously worked at NBC News in London and New York as well as Reuters Television, before moving into the field of branded entertainment where he developed, produced and directed web shows. He has a B.A. from Brown University and is a recent graduate of the Flatiron School. He is the Chair of the Board.

### **Arunie Dias, Chief Financial Officer**

Arunie Dias joined the School in 2006 as the Controller and progressed to the position of Director of Finance in 2014 and to the position of CFO in 2018. Prior to joining Berkeley Carroll, Ms. Dias worked at the United Synagogue of Conservative Judaism for 8 years and ended her tenure there as the Financial Analyst/Assistant Controller. Ms. Dias holds a M.B.A in International Business and a B.B.A in Accounting from Baruch College of the City University of New York. As the CFO, Ms. Dias oversees Finance and Operations of the school.

### **Employee Benefits**

Employees of the School receive comprehensive health insurance and dental care, employer contributions to retirement plans, life insurance, short-term and long-term disability coverage, a flexible spending program, on the job training through professional development, reimbursement of educational expenses, and paid sick leave.

### **Recapture**

The mortgage recording tax benefit is subject to a 10-year recapture period.

### **SEQRA Determination**

Unlisted action which, if implemented, will not result in significant adverse environmental impacts.

### **Due Diligence**

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

<b>Compliance Check:</b>	No derogatory information was found
<b>Living Wage:</b>	Exempt
<b>Paid Sick Leave:</b>	Compliant
<b>Private School Policy:</b>	Compliant
<b>Affordable Care Act:</b>	Compliant
<b>Bank Account:</b>	No derogatory information was found
<b>Bank Check:</b>	No derogatory information was found
<b>Supplier Checks:</b>	No derogatory information was found
<b>Customer Checks:</b>	Not Applicable

## **The Berkeley Carroll School**

<b>Unions:</b>	Not Applicable
<b>Background Investigation:</b>	No derogatory information was found
<b>Attorney:</b>	Bianca Zimmerman Cullen & Dykman LLP 44 Wall Street New York, NY 10005
<b>Accountant:</b>	Robert Cordero PKF O'Connor Davies, LLP 500 Mamaroneck Avenue, Suite 301 Harrison, NY 10528.
<b>Consultant/Advisor:</b>	Dan Froehlich D.A. Davidson & Co. 757 3rd Ave Suite 1902 New York, NY 10017
<b>Executive Board:</b>	Chad Ruble, Chair James Shipp, Co-Vice Chair Julie Kay, Co-Vice Chair
<b>Community Boards:</b>	Brooklyn, CB-6



January 12, 2021

Mr. Krishna Omolade  
Deputy Executive Director  
NYCIDA and Build NYC Resource Corporation  
New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

Re: Application for refinancing / new money through the Build NYC Resource Corp. / Not-For-Profit Bond Program on behalf of The Berkeley Carroll School

Dear Mr. Omolade:

One of the oldest private schools in New York City and officially chartered by New York State on April 12, 1886 as a school for the education of young ladies, The Berkeley Carroll School (“BCS”) has a long and illustrious history. Though the school can trace its origins to 1883, the year that the Brooklyn Bridge was opened, and to a series of informal classes held by the Rev. Alfred C. Roe for neighborhood children in a “double villa” on Lincoln Place. In 1966 The Carroll Street School opened its doors. In 1982, the schools were merged to form the Berkeley Carroll Street School. The New York State Regents later approved an amendment to the school’s charter to shorten the name to The Berkeley Carroll School.

BCS is an independent (i.e., “private”), college-preparatory school located in the Park Slope neighborhood of Brooklyn, New York. The school’s mission is to educate students, grades PreK through 12. In addition to academics, BCS offers its students a wide-ranging arts and athletics curriculum. BCS also offers its students a global education. Lower School students avail themselves of the school’s partial Spanish immersion program. Middle and Upper School students have many opportunities to participate in the global programs in Costa Rica; Chinchotti, India; and Shompole, Kenya. The school currently serves 965 students and is accredited by the New York State Association of Independent Schools (NYSAIS).

In the application plan of finance, The Berkeley Carroll School proposes the re-finance of its Series 2014A tax exempt bonds, 2014B taxable bonds and the refinancing of a conventional loan and three interest rate swaps in the estimated amount of \$30 million. This will be done for lower tax-exempt interest rate and other ancillary benefits offered by a Build NYC financing. The School would be in a position to realize debt service savings by refinancing this debt. Equally important, the savings allow The School to grow its programs and academic offerings which results in the



maintenance of existing full and part-time jobs and future sustainable workforce growth to match student headcount growth. In addition, the School plans to borrow an additional \$10 million to renovate 703 Carroll Street, a building currently owned by the School, for the purpose of expanding enrollment capacity and enhancing the School's academic offerings. In total, the School is requesting up to \$40 million of Build NYC financing.

Thank you for your time and consideration in reviewing The Berkeley Carroll School's application. The Finance team looks forward to working with you.

Very truly yours,

A handwritten signature in blue ink, appearing to be "Arunie Dias". The signature is stylized with a large, looped initial "A" and a long, horizontal stroke extending to the right.

Arunie Dias

CFO

**Exhibit B**

Resolution approving the financing and refinancing of multiple facilities for Berkeley Carroll School and authorizing the issuance and sale of approximately \$40,000,000 2021 Tax-Exempt Revenue Notes (The Berkeley Carroll School) and 2021 Taxable Revenue Notes (The Berkeley Carroll School) 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 institutions, 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 eligible projects 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, The Berkeley Carroll School, a New York not-for-profit education corporation (the “Applicant”), entered into negotiations with officials of the Issuer with respect to (1) refinancing all or a portion of the Build NYC Resource Corporation Adjustable Rate Revenue Bonds (The Berkeley Carroll School Project), Series 2014A and Series 2014B (Taxable), outstanding in the aggregate principal amount of approximately \$22,215,000 (collectively, the “2014 Bonds”), the proceeds of which were used to: (A) refinance outstanding debt of the Applicant, the proceeds of which were used to pay costs of constructing a 64,488 square foot building located at 181 Lincoln Place, Brooklyn, New York (the “Lincoln Place Facility”), renovating the Applicant’s facilities located at 712-716 Carroll Street, Brooklyn, New York (the “712 Carroll Street Facility”) and acquiring a parcel of land together with a building thereon located at 152-156 Sterling Place, Brooklyn, New York (the “152 Sterling Place Facility”); and (B) refund bonds issued in the aggregate principal amount of \$11,480,000 by the New York City Industrial Development Agency (The Berkeley Carroll School Project), Series 1998, the proceeds of which were used to (i) pay costs of constructing an addition to the Applicant’s building located at 701 Carroll Street (the “701 Carroll Street Facility”) and renovating a science center located at the Lincoln Place Facility, and (ii) refund bonds issued by the New York City Industrial Development Agency in 1993, the proceeds of which were used to pay the costs of constructing and equipping the Lincoln Place Facility and renovating and improving existing facilities at 181 Lincoln Place, 712-715 Carroll Street and 701 Carroll Street, each in Brooklyn, New York; (2) refinancing a taxable loan outstanding in the aggregate principal amount of approximately \$4,429,274, the proceeds of which were used to acquire a 2,750 square foot parcel of land and a 9,000 square foot building located at 703 Carroll Street, Brooklyn, New York (the “703 Carroll Street Facility”; collectively with the Lincoln Place Facility, the 712 Carroll Street Facility, the 152 Sterling Place Facility and the 701 Carroll Street Facility, the “Facilities”); (3) financing



renovations to the 703 Carroll Street Facility, which will include upgrading the existing fire safety system, improving accessibility at the 703 Carroll Street Facility and increasing the size of the 703 Carroll Street Facility to 11,225 square feet, creating (x) larger classrooms for the study of science, technology, engineering, art and math; (y) a cafeteria; and (z) a multipurpose gathering space for exhibitions, presentations, and meetings; (4) paying three interest rate swaps outstanding in the aggregate principal amount of approximately \$2,000,000 incurred in connection with the issuance of the 2014 Bonds; (5) funding capitalized interest and one or more debt service reserve funds; and (6) pay for certain costs related to the issuance of the Issuer Revenue Notes (as defined below) (collectively, the “Project”); 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 and the Project, including the following: that the Applicant is a private, college-preparatory school located in the Park Slope neighborhood of Brooklyn for grade pre-kindergarten to 12<sup>th</sup> grade; that the Applicant employs approximately 233 full-time equivalent employees at the Facilities and expects to hire approximately 21.5 full-time employees at the 703 Carroll Street Facility upon completion of the Project; that the financing and the refinancing of the Project costs with the Issuer’s financing assistance will provide savings to the Applicant which will allow it to redirect financial resources to its faculty, programs, services, facilities and financial aid; and that, therefore, the Issuer’s financing assistance is necessary to assist the Applicant in proceeding with the Project; and

WHEREAS, in order to finance and refinance a portion of the cost of the Project, the Issuer intends to issue its 2021 Tax-Exempt Revenue Notes (The Berkeley Carroll School) (the “Tax-Exempt Notes”) in the aggregate principal amount of approximately \$37,500,000 (or such greater principal amount not to exceed \$41,250,000) as may be determined by a certificate of determination of an authorized officer of the Issuer (the “Certificate of Determination”), and its 2021 Taxable Revenue Notes (The Berkeley Carroll School) (the “Taxable Notes”; together with the Tax-Exempt Notes, the “Issuer Revenue Notes”) in the aggregate principal amount of approximately \$2,500,000 (or such greater principal amount not to exceed \$2,750,000) as may be determined by the Certificate of Determination, all pursuant to a Master Loan Agreement (the “Master Loan Agreement”) to be entered into among the Issuer, the Applicant and First Republic Bank, as purchaser of the Issuer Revenue Notes (the “Lender”), and the Applicant will execute one or more promissory notes in favor of the Issuer and the Lender (collectively, the “Promissory Note”) to evidence the Applicant’s obligation under the Master Loan Agreement to repay such loan, and the Issuer will endorse the Promissory Note to the Lender; and

WHEREAS, the Issuer Revenue Notes and the Promissory Note are to be secured by (i) the pledge effected by the Master Loan Agreement, (ii) a pledge and security interest in certain revenues and assets of the Applicant pursuant to a Security Agreement from the Applicant to the Lender (the “Security Agreement”) and (iii) mortgage liens on and security interests in certain of the Facilities granted by the Applicant, as mortgagor, to the Issuer and the Lender, as mortgagees, pursuant to one or more Mortgage and Security Agreements (collectively, the “Mortgage”), which Mortgage will be assigned by the Issuer to the Lender pursuant to one or more

Assignments of Mortgage and Security Agreements from the Issuer to the Lender (collectively, the "Assignment of Mortgage"); and

WHEREAS, the Issuer Revenue Notes and the Promissory Note are to be sold to the Lender (or such other financial institution as shall be approved by the Certificate of Determination);

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

Section 1. The Issuer hereby determines that the financing and the refinancing 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 to proceed with the Project as set forth herein, which Project will be financed and refinanced in part through the issuance of the Issuer Revenue Notes, which Issuer Revenue Notes may be issued will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Master Loan Agreement and the Promissory Note.

Section 3. To provide for the financing and refinancing of the Project, the issuance of the Issuer Revenue Notes by the Issuer is hereby authorized subject to the provisions of this Resolution and the Master Loan Agreement.

The Tax-Exempt Notes shall be issued as fully registered notes, in one or more series, shall be dated their date of issuance, shall be issued in an aggregate principal amount not to exceed \$41,250,000, shall be payable as to principal and interest as provided in the Master Loan Agreement, shall bear interest at such annual fixed rate(s) (for 15 or 20 years, at the option of the Applicant, and the future rate of interest to be calculated based on the 10-year treasury rate plus 140-160 basis points, as determined by the Certificate of Determination but not to exceed four percent (4%)), shall be subject to optional and mandatory redemption as provided in the Tax-Exempt Notes, shall be payable as provided in the Master Loan Agreement until the payment in full of the principal amount thereof and shall mature approximately thirty (30) years from the date of issuance of the Tax-Exempt Notes (or as determined by the Certificate of Determination), all as set forth in the Tax-Exempt Notes. Other applicable provisions shall be set forth in the Master Loan Agreement.

The Taxable Notes shall be issued as fully registered notes, in one or more series, shall be dated their date of issuance, shall be issued in an aggregate principal amount not to exceed \$2,750,000, shall be payable as to principal and interest as provided in the Master Loan Agreement, shall bear interest at such annual fixed rate(s) (for 15 or 20 years, at the option of the Applicant, and the future rate of interest to be calculated based on the 10-year treasury rate plus 140-160 basis points, as determined by the Certificate of Determination but not to exceed six percent (6%)), shall be subject to optional and mandatory redemption as provided in the Taxable Notes, shall be payable as provided in the Master Loan Agreement until the payment in full of the principal amount thereof and shall mature approximately thirty (30) years from the date of issuance of the Taxable Notes (or as determined by the Certificate of Determination), all as set forth in the Taxable Notes. Other applicable provisions shall be set forth in the Master Loan Agreement.

Section 4. The Issuer Revenue Notes shall be secured by the pledge effected by the Master Loan Agreement and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts of the Applicant to the extent set forth in the Master Loan Agreement. The Issuer Revenue Notes, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Master Loan Agreement, including from moneys deposited in the Debt Service Reserve Fund and other funds as established under the Master Loan Agreement (subject to disbursements therefrom in accordance with the Master Loan Agreement), 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 Issuer Revenue Notes be payable out of any funds of the Issuer other than those pledged therefor. The Issuer Revenue Notes are further secured pursuant to the Security Agreement and the Mortgage.

Section 5. The Issuer Revenue Notes are hereby authorized to be sold to the Lender at a purchase price equal to the aggregate principal amount of the Issuer Revenue Notes or such other purchase price as determined by the Certificate of Determination.

Section 6. The execution and delivery of the Master Loan Agreement, the endorsement of the Promissory Note, the Assignment of Mortgage, the Building Loan Agreement among the Applicant, the Issuer and the Lender, and the Tax Regulatory Agreement from the Issuer and the Applicant to the Lender (the documents referenced in this Section 6 being, collectively, the "Issuer Documents"), each being substantially in the form approved by the Issuer for prior financings or pursuant to the Certificate of Determination, 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 Issuer Documents. The execution and delivery of each such Issuer Documents 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, 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 or her individual capacity, and neither the members or directors of the Issuer nor any officer executing the Issuer Revenue Notes shall be liable personally on the Issuer Revenue Notes 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 Issuer Revenue Notes.

Section 9. The Issuer is hereby authorized to cause the Applicant to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Issuer Revenue Notes, all as particularly authorized by the terms and provisions of the Master Loan Agreement. The Applicant is authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Applicant 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 for such purpose or for any other purpose.

Section 10. Any expenses incurred by the Issuer with respect to the Project and the financing and refinancing thereof shall be reimbursed out of the proceeds of the Issuer Revenue Notes or, in the event such proceeds are insufficient after payment of other costs of the Project or the Issuer Revenue Notes are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid by the Applicant. By accepting this Resolution, the Applicant agrees to pay such expenses and further agree 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 and refinancing thereof.

Section 11. In connection with the Project, the Issuer intends to grant the Applicant financing assistance in the form of the issuance of the Issuer Revenue Notes and mortgage recording tax exemptions.

Section 12. Any qualified costs incurred by the Applicant in initiating the Project shall be reimbursed by the Issuer from the proceeds of the Issuer Revenue Notes; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution and provided further that the reimbursement is permitted under the Tax Regulatory Agreement.

Section 13. The Issuer, as lead agency, is issuing the following determination pursuant to the State Environmental Quality Review Act (Article 8 of the Environmental Conservation Law) ("SEQRA") and implementing regulations contained in 6 NYCRR Part 617. Such determination is based upon the Issuer's review of information provided by the Applicant and such other information as the Issuer has deemed necessary and appropriate to make this determination. The Issuer has determined that the proposed action is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(29), "investments by or on behalf of agencies or pension or retirement systems or refinancing existing debt..." which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

Section 14. This Resolution is subject to the approval of a private investigative report with respect to the Applicant, 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 Issuer Revenue Notes for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Applicant shall be continuing to take affirmative steps to secure financing and refinancing for the Project.

Section 15. This Resolution constitutes “other similar official action” under the provisions of Treasury Regulation 1.103-8(a)(5) promulgated under Section 103 and related sections of the Internal Revenue Code of 1986, as amended (the “Code”). This Resolution is subject to further compliance with the provisions of Sections 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the Project and the Issuer Revenue Notes.

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 Chairman, Vice Chairman, 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: March 9, 2021

**THE BERKELEY CARROLL SCHOOL**

By: \_\_\_\_\_

Name:

Title:

Accepted: March \_\_, 2021

**Exhibit C**

## **Project Summary**

The ICS Foundation, Inc., a New York corporation exempt from federal taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended, as borrower (the “Foundation”), is seeking approximately \$33,615,000 in tax-exempt and taxable revenue bonds (the “Bonds”). The Foundation supports Integration Charter Schools (“ICS”), a corporation exempt from federal taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended, that operates a network of charter schools which provides education services to students (including those with special needs). The Foundation procures, constructs, and leases education facilities to ICS.

Proceeds from the Bonds will be used to (a)(i) finance the acquisition, renovation, furnishing, and equipping of a 28,500 square foot building located on a 60,700 square foot parcel of land located at 2245 Richmond Avenue, Staten Island, New York, which is expected to serve as the site of a new school (the “Owned Facility”), to be known as the Richmond Preparatory Charter School which will provide educational services to students in Grades 6 through 12 including those with special needs (“Richmond”), and (ii) finance the construction, furnishing and equipping of an expansion to the Owned Facility consisting of 25,000 square feet; (b) refinance a taxable loan in the outstanding amount of \$725,000, which loan financed leasehold improvements in 37,589 square feet of leased space located in one building (the “Leased Facility 1”) and 8,361 square feet of leased space in a second building (the “Leased Facility 2”), both located at 1 Teleport Drive, Staten Island New York, which currently serves as a site for the following schools: John W. Lavelle Preparatory Charter School (providing educational services to students in Kindergarten through Grade 12) (“Lavelle”), New Ventures Charter School (providing educational services to students from ages 16 through 21) (“New Ventures”) and The Lois and Richard Nicotra Early College Charter School (providing educational services to students in Grades 8 through 12) (“Nicotra”), (c) refinance a taxable loan in the outstanding amount of \$890,000, which loan financed leasehold improvements in 154,578 square feet of leased space located in a third building (the “Leased Facility 3” and together with the Leased Facility 1 and the Leased Facility 2, the “Leased Facilities”), located at 3 Teleport Drive, Staten Island, New York, which currently serves as a site for the following schools: Lavelle, New Ventures, Nicotra, and until the Owned Facility is completed, Richmond, (d) fund a capitalized interest and debt service reserve fund; and (e) pay for certain costs and expenses associated with the issuance of the Bonds. The Owned Facility will be owned by the Foundation and leased to and operated by ICS as the Richmond school. The Leased Facilities are to be leased to the Foundation and subleased and operated by ICS as the Lavelle, New Ventures, Nicotra, and Richmond (temporarily) schools.

## **Project Locations**

2245 Richmond Avenue  
1 Teleport Drive  
3 Teleport Drive  
Staten Island, New York 10314

## **Actions Requested**

- Bond Approval and Authorizing Resolution
- Adopt a negative declaration for this project. The proposed project will not have a significant adverse effect on the environment.

## **Anticipated Closing**

June 2021

## The ICS Foundation, Inc.

### Impact Summary

Employment	
Jobs at Application:	1
Jobs to be Created at Project Location (Year 3):	73
<b>Total Jobs (full-time equivalents)</b>	<b>74</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$38.25</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$80.00/\$20.00</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 35 years at 6.25%)	\$643,198
One-Time Impact of Renovation	\$291,854
<b>Total impact of operations and renovation</b>	<b>\$935,052</b>
<b>Additional benefit from jobs to be created</b>	<b>\$8,517,629</b>

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$546,244
NYC Foregone Income Tax on Bond Interest	\$421,811
Corporation Financing Fee	\$(193,075)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$774,980</b>
Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Job in Year 3	\$10,473
Estimated City Tax Revenue per Job in Year 3	\$127,739

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$394,976
NYS Forgone Income Tax on Bond Interest	\$1,586,944
<b>Total Cost to NYS</b>	<b>\$1,981,920</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$2,756,900</b>

### Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$33,615,000	100%
<b>Total</b>	<b>\$33,615,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Land & Building Acquisition	\$14,500,000	43%
Construction Hard Costs	\$7,300,000	22%
Construction Soft Costs	\$2,000,000	6%
Furnishings, Fixtures, & Equipment	\$2,000,000	6%
Refinancing Taxable debt	\$1,615,000	5%
Debt Service Reserve Fund	\$2,000,000	6%
Capitalized Interest	\$3,000,000	9%
Closing Fees	\$1,200,000	3%
<b>Total</b>	<b>\$33,615,000</b>	<b>100%</b>



## **The ICS Foundation, Inc.**

### **Fees**

	Paid At Closing	On-Going Fees (NPV, 35 Years)
Corporation Fee	\$193,075	
Bond Counsel	135,000	
Annual Corporation Fee	\$1,250	\$17,603
Bond Trustee Acceptance Fee	\$500	
Annual Bond Trustee Fee	\$500	\$7,042
Trustee Counsel Fee	\$5,000	
Total	\$335,325	\$24,645
<b>Total Fees</b>	<b>\$359,970</b>	

### **Financing and Benefits Summary**

The Bonds are expected to be marketed as a limited public offering, with D.A. Davidson & Co. serving as the underwriter. It is estimated that the Bonds will have semiannual interest payment dates, annual principal payment dates, and a final maturity date not to exceed thirty-five years from the date of issuance. The indicative interest rate range for the tax-exempt Bonds is between 5.00% and 6.00%. It is anticipated that the Bonds will be secured by a first mortgage on the Owned Facility, and by a general obligation pledge of ICS. There will also be a debt service reserve fund, in an amount not to exceed maximum annual debt service. Based on an analysis of the ICS's financial statements, there is an expected debt service coverage ratio of 1.54x.

### **Applicant Summary**

ICS operates a network of charter schools that are dedicated to providing innovative pathways to college that fully integrate students living with emotional challenges and others with special needs on Staten Island. In building a family of associated schools that share this common mission, ICS strives to fill gaps in public education. Lavelle, Staten Island's first charter school, was established in 2009 with the mission of fully integrating students experiencing emotional challenges with a rigorous college-preparatory education that equips and empowers students to go to college and succeed in life.

In 2015, Lavelle spearheaded the development and authorization of New Ventures, a transfer high school that shares Lavelle's commitment to leveling the playing field for students living with emotional challenges. New Ventures promotes college and career readiness for over-age and under-credited, at risk youth, aged 16-21 living on Staten Island, enabling them to graduate from high school prepared to excel in their academic, professional and personal lives. ICS's most recent school, Nicotra, is designed to provide an innovative pathway to college graduation for all students including those living with emotional challenges as well as those with other disabilities in all classes and activities. This Project marks ICS's fourth school. Richmond will be designed to fully integrate students on the autism spectrum as well as those living with other disabilities in all classes and activities.

### **Kenneth Byalin, Ph.D.**

Dr. Kenneth Byalin is the President of ICS and has broad experience in organizational leadership and education, as well as social work. With nine years of experience as the leader of Lavelle and New Ventures, he is also the President and Founder of the Verrazano Foundation, a member of the Zen Peacemakers for over 25 years, and was previously the Chief of Service at South Beach Psychiatric Service for 18 years. He holds a Ph.D. in Sociology from NYU, a MS in Social Work from Columbia University, and a BA in English from Carleton College.

## **The ICS Foundation, Inc.**

### **Jill H.B. Patel, Chair of the Board**

Jill H.B. Patel is a former hospital administrator who worked at Thomas Jefferson University Hospital in Philadelphia, the former St. Vincent's Medical Center on Staten Island, Maimonides Medical Center in Brooklyn, and the New York-Presbyterian Medical Center in Manhattan from which she retired as Director. Prior to working in academic medical centers, she was an educator who taught graduate courses in early childhood education and established the first-day care center at Harvard University. She has served on the Board of Jacques Marchais Museum of Tibetan Art, the Harvard Schools Committee of New York City, and as a member of the New York State Justice Center Surrogate Decision Making Committee.

### **Dana Volini, Vice President of Administration**

Dana Volini is the Vice President of Administration at ICS. She received her bachelor's degree in Political Science at Arizona State University, her Master's Degree in Middle School Education and Special Education from Touro College, and as a recipient of a Race to the Top grant, she received an additional Master's degree from Wagner College in Educational Leadership and Administration. Mrs. Volini worked previously as a Special Education Mathematics teacher, Special Education Coordinator, 7th-grade team leader and Director of Operations. She currently oversees the office administration, human resources, kitchen, technology, facilities, finances, legal compliance, data, and communications. Mrs. Volini also is part of the SIEDC's Executive Women's Council and the Executive Club of Staten Island.

### **Employee Benefits**

Employees of ICS are eligible for medical, dental, vision, life insurance and disability insurance at no cost to the employee. Employees will also receive up to a 5% match of employee contributions to their 401K retirement plan. In addition, transportation benefits, child care benefits and flex health care spending plans will be offered to employees for an additional cost.

### **Recapture**

The mortgage recording tax benefit is subject to a 10-year recapture period.

### **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 Foundation and its principals and found no derogatory information.

<b>Compliance Check:</b>	Not Applicable
<b>Living Wage:</b>	Exempt
<b>Paid Sick Leave:</b>	Compliant
<b>Private School Policy:</b>	Not Applicable
<b>Affordable Care Act:</b>	Compliant
<b>Bank Account:</b>	No derogatory information was found
<b>Bank Check:</b>	No derogatory information was found

**The ICS Foundation, Inc.**

<b>Supplier Checks:</b>	No derogatory information was found
<b>Customer Checks:</b>	Not Applicable
<b>Unions:</b>	Not Applicable
<b>Background Investigation:</b>	No derogatory information was found
<b>Attorney:</b>	Cliff Schneider Cohen Schneider Law PC 275 Madison Ave, Suite 1905 New York, New York 10016
<b>Accountant:</b>	Schall & Ashenfarb, Certified Public Accountants, LLC 307 Fifth Avenue, 15 <sup>th</sup> Floor New York, New York 10016
<b>Consultant/Advisor:</b>	Dan Froehlich D.A. Davidson & Co. 757 3rd Ave Suite 1902 New York, NY 10017
<b>Executive Board:</b>	Jill H.B. Patel, Chair David Lehr, Vice Chair Ed Fucini, Treasurer
<b>Community Boards:</b>	Staten Island, CB-2



January 28, 2021

Mr. Krishna Omolade  
Deputy Executive Director  
NYCIDA and Build NYC Resource Corporation  
New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

Re: Application for refinancing / new money through the Build NYC Resource Corp. /  
Not-For-Profit Bond Program on behalf of ICS Foundation, Inc.

Dear Mr. Omolade:

The ICS Foundation Inc. (the “Foundation”) was founded in October 2018 and was created as a support for Integration Charter Schools (“ICS”). The ICS Foundation, Inc. was formed to procure, construct and hold educational operating facilities to be leased to Integration Charter Schools.

Integration Charter Schools (“ICS”), located in Staten Island, New York, is a not-for-profit corporation which administers several schools which are chartered by the Board of Regents of the State of New York. ICS is dedicated to providing innovative pathways to college that fully integrate students living with emotional challenges and others with special needs. In fostering both the academic and emotional growth of all students, ICS serves as an innovative, holistic educational model for other high-performing schools. ICS administers the following schools:

- John W. Lavelle Preparatory Charter School (established in 2009), which provides a college preparatory education curriculum that equips and empowers students for success, including those living with emotional challenges.
- New Ventures Charter School (established in 2015), which is a transfer high school which promotes college and career readiness for over age and under-credited, at risk youth, aged 16-21 living on Staten Island, enabling them to graduate from high school prepared to excel in their academic, professional, and personal lives.

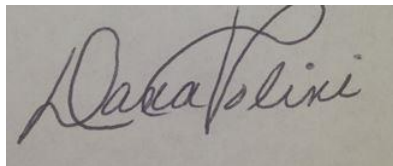
- The Lois and Richard Nicotra Early College Charter School is designed to provide an innovative pathway to college graduation for all students including those living with emotional challenges as well as those with other disabilities in all classes and activities.
- Richmond Preparatory Charter School (“RPCS”) is the fourth school under the Integration Charter Schools umbrella. RPCS is designed to fully integrate students from grades 6 to 12, on the autism spectrum as well as those living with other disabilities in all classes and activities.

The borrower and lessor will be The ICS Foundation and the Foundation will enter into a lease agreement with Integration Charter Schools (ICS), which will be the lessee. The financed facility will be utilized by RPCS, which is one of four charter schools that are administered by ICS. Richmond Preparatory Charter School (“RPCS”) is the fourth school under the Integration Charter Schools umbrella. RPCS is designed to fully integrate students from grades 6 to 12, on the autism spectrum as well as those living with other disabilities in all classes and activities. The Bonds will be secured by a mortgage on the RPCS building (project facility) and a pledge of revenues from ICS.

In the application plan of finance, the Foundation proposes to finance the acquisition, renovation and expansion of a building to house RPCS and to refinance existing taxable debt and to pay costs of issuance and fund reserves in the estimated amount of \$32 million. This will be done for lower tax-exempt interest rate and other ancillary benefits offered by a Build NYC financing. The savings from the Build NYC benefits and lower interest expenses will allow the Foundation, ICS and RPCS to grow its programs and academic offerings which results in the maintenance of existing full and part-time jobs and future sustainable workforce growth to match student headcount growth. The bond issue is expected to be structured as a limited public offering and D.A. Davidson & Co. will serve the Foundation as its underwriter.

Thank you for your time and consideration in reviewing The Foundation’s application. The Finance team looks forward to working with you.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Dana Volini", is shown on a light-colored background.

Dana Volini

Vice President of Administration

**Exhibit D**

Resolution approving financing of a facility for The ICS Foundation, Inc. and Integration Charter Schools and authorizing the issuance and sale of approximately \$33,500,000 of Tax-Exempt and Taxable Revenue Bonds (Integration Charter Schools Project), Series 2021 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, The ICS Foundation, Inc. (the “Applicant”), a New York corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), which supports Integration Charter Schools (the “Organization”), has entered into negotiations with officials of the Issuer for the Issuer’s assistance with a tax-exempt revenue bond and taxable revenue bond transaction as part of a plan of financing, the proceeds of which, together with other funds of the Applicant, will be used by the Applicant to: (a)(i) finance the acquisition, renovation, furnishing, and equipping of a 28,500 square foot building located on a 60,700 square foot parcel of land located at 2245 Richmond Avenue, Staten Island, New York, which is expected to serve as the site of a new school (the “Owned Facility”), to be known as the Richmond Preparatory Charter School (providing educational services to students in Grade 6 through 12 including those with special needs) (“Richmond”), and (ii) finance the construction, furnishing and equipping of an expansion to the Owned Facility consisting of 25,000 square feet; (b) refinance a taxable loan in the outstanding amount of \$725,000, which loan financed leasehold improvements in 37,589 square feet of leased space located in one building (the “Leased Facility 1”) and 8,361 square feet of leased space in a second building (the “Leased Facility 2”), both located at 1 Teleport Drive, Staten Island New York, which currently serves as a site for the following schools: John W. Lavelle Preparatory Charter School (providing educational services to students in Kindergarten through Grade 12) (“Lavelle”), New Ventures Charter School (providing educational services to students from ages 16 through 21) (“New Ventures”) and The Lois and Richard Nicotra Early College Charter School (providing educational services to students in Grades 8 through 12) (“Nicotra”), (c) refinance a taxable loan in the outstanding amount of \$890,000, which loan financed leasehold improvements in 154,578 square feet of leased space located in a third building (the “Leased Facility 3” and together with the Leased Facility 1 and the Leased Facility 2, the “Leased Facilities”), located at 3 Teleport Drive, Staten Island, New York, which currently serves as a site for the following schools: Lavelle, New Ventures, Nicotra, and until the Owned Facility is completed, Richmond, (d) fund

a capitalized interest and debt service reserve fund; and (e) pay for certain costs and expenses associated with the issuance of the Bonds (collectively (a) through (e), the “Project”); and

WHEREAS, the Organization operates a network of public charter schools which provides education services to students (including those with special needs); and

WHEREAS, the Owned Facility will be owned by the Applicant and leased to and operated by the Organization providing educational services to students in Grades 6 through 12 including those with special needs; and

WHEREAS, the Leased Facilities are to be leased to the Applicant and subleased to and operated by the Organization as the Lavelle, New Ventures, Nicotra and until the Owned Facility is ready for occupancy, the Richmond charter schools; 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 Organization and the Project, including the following: that the Organization is a not-for-profit corporation that operates a network of charter schools which provides education services to students (including those with special needs) on Staten Island; that there will be approximately 74 full-time equivalent employees employed at the Owned Facility by year 3; that the financing of the Project costs with the Issuer’s financing assistance will provide savings to the Organization 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 in proceeding with the Project; and

WHEREAS, the Issuer desires to further encourage the Applicant and the Organization with respect to the financing of the Owned Facility and the Leased Facilities (collectively, the Owned Facility and the Leased Facilities, the “Facilities”), 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 (Integration Charter Schools Project), Series 2021, in one or more tax-exempt and taxable series, in the aggregate principal amount of approximately \$33,500,000, 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, as Trustee, or a trustee to be appointed by the Issuer (the “Trustee”); and

WHEREAS, (i) the Issuer intends to loan the proceeds of the Bonds to the Applicant pursuant to a Loan Agreement (the “Loan Agreement”) to be entered into between the Issuer, the Applicant and any other party as may be determined by a certificate of determination of an authorized officer of the Issuer, and (ii) the Applicant will execute one or more promissory notes in favor of the Issuer and the Trustee (collectively, the “Promissory Note”) to evidence the Applicant’s obligation under the Loan Agreement to repay such loan; and



WHEREAS, the Bonds are to be secured by mortgage liens on and security interests in the Owned Facility granted by the Applicant, as mortgagor, to the Issuer and the Trustee, pursuant to one or more Mortgage and Security Agreements (collectively, the “Mortgage”), which Mortgage will be assigned by the Issuer to the Trustee pursuant to one or more Assignments of Mortgage and Security Agreement from the Issuer to the Trustee (collectively, the “Assignment of Mortgage”); and

WHEREAS, the Bonds are to be further secured by a pledge of certain revenues of the Organization granted by the Organization to the Trustee pursuant to a Pledge and Security Agreement (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 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 and/or taxable series, shall be dated as provided in the Indenture, shall be issued as one or more serial and/or term bonds and with respect to the Bonds in an aggregate amount not to exceed \$33,500,000, 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, 2056 (or as determined by the Certificate of Determination), all as set forth in the Bonds.

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, to the extent set forth in the Loan Agreement and Indenture hereinafter authorized. The Bonds shall be further secured by the Mortgage and the Pledge and Security Agreement. 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 Revenue Fund, 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 public offering or a private placement and D.A. Davidson & Co., or an investment bank to be determined by the Applicant may serve as the underwriter or placement agent ("Investment Bank"). The determination as to public offering or private placement, the designation of the Investment Bank, and the purchase price of the Bonds shall be approved by Certificate of Determination.

Section 6. The delivery of a Preliminary Official Statement or Preliminary Private Placement Memorandum with respect to the Bonds (the "Preliminary Offering Document") and the execution and delivery of the Indenture, a final Private Placement Memorandum or final Official Statement with respect to the Bonds (the "Final Offering Document"), a Bond Placement Agreement or Bond Purchase Agreement with the Applicant and the Investment Bank, the Loan Agreement, a Letter of Representation and Indemnity Agreement from the Applicant, the Assignment of Mortgage, a Building Loan Agreement, among the Issuer, the Applicant and the Trustee and a Tax Regulatory Agreement from the Issuer and the Applicant to the Trustee (the documents referenced in this Section 6 being, collectively, the "Issuer Documents"), each being substantially in the form approved by the Issuer for prior financings, 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 Documents. The execution and delivery of each such Issuer Documents by said officer shall be conclusive evidence of due authorization and approval.

Section 7. The Issuer hereby authorizes the distribution of the Preliminary Offering Document and the Final Offering Document to prospective purchasers of the Bonds.

Section 8. 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 9. 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 10. The Issuer is hereby authorized to cause the Applicant 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 is authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Applicant 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 for such purpose or for any other purpose.

Section 11. 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, 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 12. In connection with the Project, the Issuer intends to grant the Applicant financing assistance in the form of the issuance of the Bonds and exemptions of mortgage recording tax.

Section 13. Any qualified costs incurred by the Applicant 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 14. This Resolution is subject to the approval of a private investigative report with respect to the Applicant, 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 11 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 shall be continuing to take affirmative steps to secure financing for the Project.

Section 15. 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 16. 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 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, would 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 Owned Facility would not result in a substantial adverse change in existing traffic levels. The Owned Facility is currently occupied by a 28,500 square-foot retail building, which was previously occupied by a Barnes & Noble bookstore and Halloween City. The Owned Facility will be redeveloped with a 17,000 square foot addition to create a Charter School to accommodate 450 students in grades 6th through 12th. The traffic study prepared for the Owned Facility projected an increment of 121 vehicle trips during the Owned Facility's AM peak hour of 8AM to 9AM. The traffic study conservatively assumed all trips would access the Owned Facility at the main entrance on Richmond Avenue and did not assign any trips to public transit. Assuming even a moderate transit modal share that is applicable to this student population, the peak increment of vehicle trips would fall below the 100 trips per hour screening for potential impacts. The study also analyzed that location to have an existing condition of Level of Service (LOS) D. The study concludes that the increment at AM Peak Hour would not result in a significant adverse effect.
2. The Owned Facility would not result in a substantial adverse change in air quality, or noise levels.
3. The Owned Facility would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
4. The Owned Facility would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
5. The Owned Facility would not result in a change in existing zoning or land use. The proposed use would be as-of-right under zoning.
6. A Phase I Environmental Site Assessment conducted on the project site indicated that, given the historical use of the property for truck storage, the presence of superficial staining, likely presence of urban fill, and planned redevelopment of the site involving soil disturbance, a Phase II Environmental Site Assessment should be conducted in order to determine if any contamination from past improper chemical disposal has impacted the subsurface, as well as to characterize soils and fill for handling and disposal purposes that will be disturbed and/or excavated during the planned redevelopment. As a condition for closing, a

Phase II must be completed on this site and submitted to the New York City Department of Environmental Protection for their review and guidance. With the implementation of these measures, the proposed project would not result in adverse impacts related to hazardous materials.

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

Section 17. 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 18. This Resolution shall take effect immediately.

ADOPTED: March 9, 2021

THE ICS FOUNDATION, INC.

\_\_\_\_\_  
Name:

Title:

INTEGRATION CHARTER SCHOOLS

\_\_\_\_\_  
Name:

Title:

Accepted: \_\_\_\_\_, 2021

**Exhibit E**

## **Project Summary**

Borrowers Macombs 1504, LLC (“Macombs LLC”), Jerome 2720, LLC (“Jerome LLC”) and Gerard 501, LLC (“Gerard LLC”), each of which is a Delaware limited liability company with the sole member of KIPP NYC Properties, LLC, a Delaware limited liability company (“KIPP NYC Properties”) and are affiliated with KIPP New York, Inc. (“KIPP”), a Delaware corporation and a charter school support corporation, exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) and KIPP NYC Public Charter Schools, a New York not-for-profit education corporation and also a tax-exempt entity under Section 501(c)(3) (“KIPP NYC”), operating a network of charter schools in New York City, are seeking approximately \$260,000,000 in tax-exempt revenue bonds and \$20,000,000 in taxable revenue bonds (collectively, the “Bonds”).

Proceeds from the Bonds, the tax-exempt portion of which are to be issued as qualified 501(c)(3) bonds under Section 145 of the Code, will be used, as part of a plan of financing, to finance and refinance the costs of: (1) the acquisition by Macombs LLC of two parcels of land and the demolition of the existing structures thereon and the construction, furnishing and equipping of a new approximately 96,000 square foot facility on an approximately 24,656 square foot parcel of land, located at 1504 and 1518 Macombs Road, Bronx, New York (the “Macombs Facility”), utilizing approximately \$132,000,000 of tax-exempt bond proceeds, which Macombs Facility will be leased to KIPP NYC for use as a charter school serving approximately 950 students in Kindergarten through Grade 8 (the “Macombs Facility Bonds”); (2) the acquisition by Jerome LLC of a parcel of land and the demolition of the existing structures thereon and the construction, furnishing and equipping of a new approximately 96,000 square foot facility on an approximately 22,000 square foot parcel of land, located at 2720 Jerome Avenue, Bronx, New York (the “Jerome Facility”), utilizing approximately \$128,000,000 of tax-exempt bond proceeds, which Jerome Facility will be leased to KIPP NYC for use as a charter school serving approximately 950 students in Kindergarten through Grade 8 (the “Jerome Facility Bonds”); (3) the renovation, furnishing and equipping of an approximately 67,000 square foot 6-story facility on an approximately 13,546 square foot parcel of land, located at 501 Gerard Avenue and 110 East 149th Street, Bronx, New York (the “Gerard Facility”), utilizing approximately \$15,500,000 of taxable bond proceeds, which Gerard Facility will be leased by a third party landlord to Gerard LLC, will be subleased by Gerard LLC to KIPP NYC for use as a charter school serving approximately 1,000 students in varying grades from Kindergarten through Grade 12 (the “Gerard Facility Bonds”); (4) funding capitalized interest, other capitalizable costs and one or more debt service reserve funds; and (5) paying for certain costs related to the issuance of the Bonds (the “Project”). The Macombs Facility, Jerome Facility, and Gerard Facility will be operated by KIPP under a management agreement with KIPP NYC. PCS Properties Foundation, Inc. (“PCS”), a Delaware not-for-profit corporation, has applied to the Internal Revenue Service (the “IRS”) for recognition of its status as an organization described in Section 501(c)(3) of the Code, and is expected to replace KIPP NYC Properties as the sole member of each of Macombs LLC, Jerome LLC and Gerard LLC in the event that it is recognized by the IRS as an organization described in Section 501(c)(3) of the Code.

### **Current Location**

2502 Lorillard Place  
Bronx, New York 10458

### **Project Locations**

1504 & 1518 Macombs Road  
Bronx, New York 10452

2720 Jerome Avenue  
Bronx, New York 10468

501 Gerard Avenue and 110 E 149<sup>th</sup> Street  
Bronx, New York 10451

## MACOMBS 1504, LLC, JEROME 2720, LLC & GERARD 501, LLC

### **Actions Requested**

- Bond Approval and Authorizing Resolution.
- Approve a SEQRA determination that the Macombs Facility project is an Unlisted action.
- Approve a SEQRA determination that the Jerome Facility project is an Unlisted action.
- Approve a SEQRA determination that the Gerard Facility project is an Unlisted action.

### **Anticipated Closing**

June 2021

### **Impact Summary**

Employment	
Jobs at Application:	139
Jobs to be Created at Project Location (Year 3):	175
<b>Total Jobs (full-time equivalents)</b>	<b>314</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$47.68</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$67.19/\$30.00</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 40 years at 6.25%)	\$29,056,813
One-Time Impact of Construction	\$5,862,440
<b>Total impact of operations and construction</b>	<b>\$34,919,253</b>
<b>Additional benefit from jobs to be created</b>	<b>\$28,909,714</b>

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$4,476,875
NYC Forgone Income Tax on Bond Interest	\$3,800,791
Corporation Financing Fee	(\$1,402,500)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$6,875,166</b>

Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Job in Year 3	\$21,895
Estimated City Tax Revenue per Job in Year 3	\$203,277

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$3,237,125
NYS Forgone Income Tax on Bond Interest	\$14,299,381
<b>Total Cost to NYS</b>	<b>\$17,536,506</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$24,411,672</b>



## MACOMBS 1504, LLC, JEROME 2720, LLC & GERARD 501, LLC

### Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bonds Proceeds	\$275,500,000	100%
<b>Total</b>	<b>\$275,500,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Refinancing	\$46,000,000	16%
Hard Costs	\$162,401,400	59%
Soft Costs	\$13,148,600	5%
Furnishings, Fixtures & Equipment	\$6,360,000	3%
Capitalized Interest Funds	\$27,863,000	10%
Debt Service Reserve Funds	\$16,681,000	6%
Closing Fees	\$3,046,000	1%
<b>Total</b>	<b>\$275,500,000</b>	<b>100%</b>

### Fees

	Paid At Closing	On-Going Fees (NPV, 40 Years)
Corporation Fee	\$1,402,500	
Bond Counsel	Hourly	
Annual Corporation Fee	\$3,750	\$54,691
Bond Trustee Acceptance Fee	\$1,500	
Annual Bond Trustee Fee	\$1,500	\$21,876
Trustee Counsel Fee	\$15,000	
Total	\$1,424,250	\$76,568
<b>Total Fees</b>	<b>\$1,500,818</b>	

### Financing and Benefits Summary

Morgan Stanley & Co. LLC will serve as underwriter for the Bonds, which will be sold through a public offering. The Bonds are anticipated to be rated BBB+ by S&P. The Bonds will be issued in multiple tax-exempt and taxable series, having a maturity not to exceed 40 years, and with separate bond issuances for each of the Macombs Facility, the Jerome Facility and the Gerard Facility. The respective borrowers for the three bond issuances will be Macombs LLC, Jerome LLC and Gerard LLC. The Macombs Facility Bonds, the Jerome Facility Bonds and the Gerard Facility Bonds will each be separately secured from the others, with each of such three separate issuances being secured by a first mortgage on the related facility and by separate debt service reserve funds. There will also be a separate collateral assignment of the separate facility lease and rents between KIPP NYC and each of the three respective borrowers. Based on an analysis of KIPP and KIPP NYC Properties' financial statements, there is an expected debt service coverage ratio of 1.15x upon project completion.

### **Applicant Summary**

KIPP supports a network of fifteen public charter schools in the Bronx, Brooklyn, and Manhattan, which educate over 6,400 students in Kindergarten through grade twelve and belong to the nationally recognized network of Knowledge is Power Program charter schools (“KIPP Schools”). The program began in 1995 with a single classroom in the Bronx, with a mission to do whatever it takes to help students become successful and was one of the first cohort of KIPP schools to spark a nation-wide network of 225 high-performing charter schools in 31 cities across the country. KIPP supports the New York City network of KIPP Schools through an operating division, which provides operations, finance, accounting, human resources, and information technology services and management to schools. KIPP also includes an alumni support division, focused on supporting KIPP Schools graduates to and through college and career, as well as a real estate division, which owns and operates school buildings, and leases these facilities to KIPP Schools. Along with the schools it serves, KIPP employs over 800 people in New York City. KIPP is currently supporting an approved expansion of the number and size of the charter schools in the KIPP New York City network, which will grow the network to serve over 10,000 students and employ more than 1,200 teachers, staff, and leaders in the City. The Project will allow KIPP to open two brand new charter school facilities in addition to renovating an existing one, all in the South Bronx. As a result, KIPP will be able to expand its programmatic and academic offerings, better serve the needs of its existing students and accommodate the anticipated growth in enrollment.

#### **Alicia Johnson, President and Chief Operating Officer**

Ms. Johnson joined KIPP as the Director of Operations at KIPP Through College in 2007, moved on to a role as Managing Director of College Services in 2010 and then became Managing Director of Data and Operations in 2012. She transitioned into her role as Chief Operating Officer in 2015 after seven years of experience at KIPP and has now grown her role to President and COO. Prior to joining KIPP, she worked as a Consultant at Wellspring Consulting and as a Program Associate at the National League of Cities. Ms. Johnson earned her B.A. in Public Policy from Stanford University and her M.B.A from the Yale School of Management.

#### **Brian Zied, Chief Financial Officer**

Mr. Zied joined KIPP as CFO in July 2019. Before joining KIPP, he was a Managing Partner at Charter Bridge Capital. Prior to that, he was a Senior Analyst at Impala Asset Management with primary coverage of retail, apparel, restaurants and consumer products and services. Prior to joining Impala, he was the CEO and Portfolio Manager of Charter Bridge Capital from its inception in 2010 through 2015. He was a Partner and Retail Sector Head at Maverick Capital from 1998 to 2010, and prior to that worked at Omega Advisors from 1995-1998 covering retail and consumer stocks. Mr. Zied worked in investment banking at Bear Stearns from 1991-1995. He received a dual degree from the University of Pennsylvania with degrees from the Wharton School of Business and the Moore School of Engineering.

#### **Larry Robbins, Chair of Board of Trustees**

Mr. Robbins is the Founder, Portfolio Manager and CEO of Glenview Capital Management. Prior to founding Glenview, he spent six years as an analyst and partner at Omega Advisors on their US equity long/short team. He joined Omega after three years at Gleacher & Company, a merger and advisory boutique in New York. Mr. Robbins graduated with honors from the Wharton School and the Moore School of the University of Pennsylvania in 1992 where he received his Bachelor of Science in Economics and Engineering, with majors in accounting, finance, marketing, and systems engineering. He became a Certified Public Accountant in 1991 in his then home state of Illinois. Through the Robbins Family Foundation, Mr. Robbins and his wife are active supporters of education reform both in New York City and on the national level.

## MACOMBS 1504, LLC, JEROME 2720, LLC & GERARD 501, LLC

### **Employee Benefits**

Employees are eligible to receive a medical, dental, and vision insurance plan, a 403(b) match program with employer making matching contributions of up to 50% of the employee annual contribution, on-the-job training for all new and returning teachers and staff, pre-tax health care and dependent care spending account benefits, pre-tax transit benefits for public transit and/or parking, tuition reimbursements and additional benefits such as annual gym fee reimbursements, discounted health and wellness services, and assistance with dependent care.

### **Recapture**

Subject to recapture of the mortgage recording tax benefit.

### **SEQRA Determinations**

For the Macombs Facility project, Unlisted action which, if implemented, will not result in significant adverse environmental impacts. The completed Environmental Assessment Form for Macombs Facility project has been reviewed and signed by Corporation staff.

For the Jerome Facility project, Unlisted action which, if implemented, will not result in significant adverse environmental impacts. The completed Environmental Assessment Form for Jerome Facility project has been reviewed and signed by Corporation staff.

For the Gerard Facility project, Unlisted action which, if implemented, will not result in significant adverse environmental impacts. The completed Environmental Assessment Form for Gerard Facility project has been reviewed and signed by Corporation staff.

### **Due Diligence**

The Corporation conducted a background investigation of KIPP, PCS and its principals and found no derogatory information. The Corporation is conducting a background investigation of Macombs LLC, Jerome LLC, Gerard LLC and KIPP NYC.

<b>Compliance Check:</b>	Not Applicable
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Coverage Offered
<b>Private School Policy:</b>	Not Applicable
<b>Bank Accounts:</b>	Morgan Stanley HSBC Bank USA JPMorgan Chase Bank
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Not Applicable
<b>Customer Checks:</b>	Not Applicable

## MACOMBS 1504, LLC, JEROME 2720, LLC & GERARD 501, LLC

**Unions:** Not Applicable

**Background Check:** No derogatory information was found.

**Attorney:** Alexandra MacLennan, Esq.  
Squire Patton Boggs  
One Tampa City Center  
201 N Franklin Street, Suite 2100  
Tampa, Florida 33602

**Accountant:** David Sekerak  
CliftonLarsonAllenLLP  
610 West Germantown Pike, Suite 400  
Plymouth Meeting, Pennsylvania 19462

**Consultant/Advisor:** Linda Eremita  
Stifel, Nicholas & Company, Inc.  
787 7<sup>th</sup> Avenue  
New York, New York 10019

**Community Board:** Bronx, CB 4, 7 & 1

### **KIPP Board of Directors**

Larry Robbins, Chair	Fred Scott
David Levin, Vice Chair	Marva Smalls
Lisa Blau	Randy Simpson
Abigail Klem	Rik Willard
Valerie Lancaster-Beal	



January 7, 2021

Mr. Krishna Omolade  
Deputy Executive Director  
NYCIDA and Build NYC Resource Corporation  
New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

Re: Application for refinancing / new money through the Build NYC Resource Corp. /  
Not-For-Profit Bond Program on behalf of KIPP New York, Inc.

Dear Mr. Omolade:

KIPP New York, Inc. supports a network of 15 free public charter schools in the Bronx, Brooklyn, and Manhattan, which educate over 6,400 students in grades Kindergarten through 12, and belong to the nationally recognized network of Knowledge is Power Program (KIPP) charter schools. Our program began in 1995 with a single classroom in the Bronx, with a mission to do whatever it takes to help students become successful, and as the second KIPP program in the country helped spark a nation-wide network of 225 high-performing charter schools in 31 cities. Our student body reflects the diversity of the neighborhoods in which we operate: 95% are students of color, 89% qualify for free or reduced-price meals, and 20% receive special education services. Students in our schools consistently outperform city, state, and national academic, college, and career benchmarks – a testament to the network's commitment to serve all students and belief in their abilities.

KIPP New York supports the New York City network of KIPP schools through an operating division, which provides finance, accounting, human resources, and information technology services and management to schools. We also have an alumni support division, KIPP Through College and Career, that focuses on supporting KIPP graduates during college and early in their careers. KIPP New York also includes a properties division, which owns and operates school buildings, and leases these facilities to schools in the KIPP network in order to provide affordable, high-quality school space for students and staff.

Along with the schools we support, KIPP New York employs over 800 people in New York City. We are currently supporting an approved expansion of the number and size of the charter schools in the network, which will grow to serve over 10,000 students and employ more than 1,200 teachers, staff, and leaders in the city.

In the application plan of finance, KIPP New York, Inc. proposes the issuance of Series 2021A tax exempt bonds in the estimated amount of \$224 million to finance the acquisition, construction, furnishing and equipping of two charter school facilities in the Bronx, and Series 2021B taxable bonds in the estimated amount of \$14.5 million to finance the renovation of a third charter school



facility, also in the Bronx. But for lower tax exempt interest rate and other ancillary benefits offered by a Build NYC financing, we would not be in a position to affordably finance the these projects. Equally important, the savings will allow KIPP New York and the schools in the network to grow their programs and academic offerings to serve more students, and to expand a New York City-based workforce of teachers, school staff, and network leaders.

Thank you for your time and consideration in reviewing KIPP New York's application. Our team looks forward to working with you.

Very truly yours,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

President and Chief Operating Officer

**Exhibit F**

Resolution approving the financing and refinancing of certain facilities for KIPP New York, Inc. and its affiliated entities and authorizing the issuance and sale of multiple Series of Tax-Exempt and Taxable Revenue Bonds (KIPP NYC Public Charter Schools Project), Series 2021 aggregating approximately \$280,000,000, 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 institutions, 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 eligible projects 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, KIPP New York, Inc., a Delaware not-for-profit corporation (the “Applicant”), and its affiliates: KIPP NYC Public Charter Schools, a New York not-for-profit education corporation (“KIPP NYC”), operating a network of charter schools in New York City, KIPP NYC Properties, LLC, a Delaware limited liability company (“KIPP NYC Properties”) and the sole member of each of Macombs 1504, LLC (“Macombs LLC”), Jerome 2720, LLC (“Jerome LLC”) and Gerard 501, LLC (“Gerard LLC”), each of which is a Delaware limited liability company, entered into negotiations with officials of the Issuer with respect to the financing and refinancing of the costs of: (1) the acquisition of two parcels of land and the demolition of the existing structures thereon and the construction, furnishing and equipping of a new approximately 96,000 square foot facility on an approximately 24,656 square foot parcel of land, located at 1504 and 1518 Macombs Road, Bronx, New York (the “Macombs Facility”), which Macombs Facility is owned by Macombs LLC, will be leased by Macombs LLC to KIPP NYC for use as a charter school serving approximately 950 students in Kindergarten through Grade 8, and will be operated by the Applicant under a management agreement with KIPP NYC (the “Macombs Facility Project”); (2) the acquisition of a parcel of land and the demolition of the existing structures thereon and the construction, furnishing and equipping of a new approximately 96,000 square foot facility on an approximately 22,000 square foot parcel of land, located at 2720 Jerome Avenue, Bronx, New York (the “Jerome Facility”), which Jerome Facility is owned by Jerome LLC, will be leased by Jerome LLC to KIPP NYC for use as a charter school serving approximately 950 students in Kindergarten through Grade 8, and will be operated by the Applicant under a management agreement with KIPP NYC (the “Jerome Facility Project”); (3) the renovation, furnishing and equipping of a leased approximately 67,000 square foot 6-story facility on an approximately 13,546 square foot parcel of land, located at 501 Gerard



Avenue and 110 East 149th Street, Bronx, New York (the “Gerard Facility”; collectively with the Macombs Facility and the Jerome Facility, the “Facilities”), which Gerard Facility will be leased to Gerard LLC, will be subleased by Gerard LLC to KIPP NYC for use as a charter school serving approximately 1,000 students in varying grades from Kindergarten through Grade 12, and will be operated by the Applicant under a management agreement with KIPP NYC (the “Gerard Facility Project” and, together with the Macombs Facility Project and the Jerome Facility Project, collectively, the “Projects”); 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, its affiliates and the respective Projects, including the following: that the Applicant, a not-for-profit corporation exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended the (“Code”), is a school support corporation that serves a network of public charter schools in the City, consisting of more than 6,400 students from the Bronx, Brooklyn and Manhattan; that the Projects will allow the Applicant to provide high-quality, long-term school facilities to an estimated 1,900 students enrolled in the KIPP NYC network of high-performing, free public charter schools; that the Applicant will retain approximately 139 full-time equivalent employees and, upon the completion of the Projects, will create approximately 175 full-time equivalent employees; that the Issuer’s financing assistance will allow the Applicant and its affiliates to use their financial resources for the growth of their programs and academic offerings to serve more students; and that, therefore, the Issuer’s financing assistance is necessary to assist the Applicant in proceeding with the Projects; and that PCS Properties Foundation, Inc., a Delaware not-for-profit corporation, has applied to the Internal Revenue Service (the “IRS”) for recognition of its status as an organization described in Section 501(c)(3) of the Code, and is expected to replace KIPP NYC Properties as the sole member of each of Macombs LLC, Jerome LLC and Gerard LLC in the event that it is recognized by the IRS as an organization described in Section 501(c)(3) of the Code; and

WHEREAS, in order to finance a portion of the cost of each of the Projects, the Issuer intends to issue multiple series of its Revenue Bonds (KIPP NYC Public Charter Schools Project), Series 2021 in separate series designations (as determined by the Certificate of Determination as defined below) in the aggregate principal amount of approximately \$280,000,000 (or such greater aggregate principal amount not to exceed \$308,000,000) (collectively, the “Bonds”) as tax-exempt bonds (“Tax-Exempt Bonds”) and taxable bonds (“Taxable Bonds”), with (i) approximately up to \$132,000,000 of the proceeds of the Bonds (or such greater amount of proceeds of the Bonds not to exceed \$145,200,000) being issued as Tax-Exempt Bonds and/or Taxable Bonds for the Macombs Facility (the “Macombs Facility Bonds”), (ii) approximately up to \$128,000,000 of the proceeds of the Bonds (or such greater amount of proceeds of the Bonds not to exceed \$140,800,000) being issued as Tax-Exempt Bonds and/or Taxable Bonds for the Jerome Facility (the “Jerome Facility Bonds”), and (iii) approximately up to \$20,000,000 of the proceeds of the Bonds (or such greater principal amount of proceeds of the Bonds not to exceed \$22,000,000) being issued as Taxable Bonds for the Gerard Facility (the “Gerard Facility Bonds”), such respective final principal amounts of each Series of Tax-Exempt Bonds and Taxable Bonds to comprise the Macombs Facility Bonds, the Jerome Facility Bonds

and the Gerard Facility Bonds to be determined by a certificate of determination of an authorized officer of the Issuer (the “Certificate of Determination”); and

WHEREAS, each of the Macombs Facility Bonds, the Jerome Facility Bonds and the Gerard Facility Bonds shall be separately secured from each other, and separately issued pursuant to separate respective Indentures of Trust (respectively, the “Macombs Facility Indenture”, the “Jerome Facility Indenture” and the “Gerard Facility Indenture”, and, collectively, the “Indentures”) to be entered into between the Issuer and The Bank of New York Mellon, as trustee (respectively, the “Macombs Facility Trustee”, the “Jerome Facility Trustee” and the “Gerard Facility Trustee”, and collectively, the “Trustees”); and

WHEREAS, the Issuer intends to loan the proceeds of:

- (i) the Macombs Facility Bonds to Macombs LLC, as borrower, and enter into a Loan, Use and Covenants Agreement (the “Macombs Facility Loan Agreement”) between the Issuer and the Macombs LLC (and, if determined by the Certificate of Determination, with any or all of the Applicant, KIPP NYC and KIPP NYC Properties and/or any other entity so determined and affiliated with the Applicant, collectively, the “Additional Parties”), and Macombs LLC will execute one or more promissory notes (collectively, the “Macombs Facility Promissory Notes”) in favor of the Issuer (and endorsed by the Issuer to the Macombs Facility Trustee) to evidence the obligations of Macombs LLC to repay such loan;
- (ii) the Jerome Facility Bonds to Jerome LLC, as borrower, and enter into a Loan, Use and Covenants Agreement (the “Jerome Facility Loan Agreement”) between the Issuer and Jerome LLC (and, if determined by the Certificate of Determination, the Additional Parties), and Jerome LLC will execute one or more promissory notes (collectively, the “Jerome Facility Promissory Notes”) in favor of the Issuer (and endorsed by the Issuer to the Jerome Facility Trustee) to evidence the obligations of Jerome LLC to repay such loan; and
- (iii) the Gerard Facility Bonds to Gerard LLC, as borrower, and enter into a Loan, Use and Covenants Agreement (the “Gerard Facility Loan Agreement”; and, together with the Macombs Facility Loan Agreement and the Jerome Facility Loan Agreement, collectively, the “Loan Agreements”) between the Issuer and Gerard LLC (and, if determined by the Certificate of Determination, the Additional Parties), and Gerard LLC will execute a promissory note (the “Gerard Facility Promissory Note”; and, together with the Macombs Facility Promissory Notes and the Jerome Facility Promissory Notes, collectively, the “Promissory Notes”) in favor of the Issuer (and endorsed by the Issuer to the Gerard Facility Trustee) to evidence the obligations of Gerard LLC to repay such loan; and

WHEREAS, (i) the Macombs Facility will be owned and leased by Macombs LLC to KIPP NYC (the “Macombs Facility School Lease”), (ii) the Jerome Facility will be

owned and leased by Jerome LLC to KIPP NYC (the “Jerome Facility School Lease”), and (iii) the Gerard Facility will be leased to the Gerard LLC by the owner thereof (the “Gerard Facility Prime Lease”) and subleased by the Gerard LLC to KIPP NYC (the “Gerard Facility School Lease”); and

WHEREAS, the Macombs Facility Bonds, the Jerome Facility Bonds and the Gerard Facility Bonds are to be separately secured from each other as follows:

(i) the Macombs Facility Bonds are to be secured by: (A) one or more collateral assignments of leases and rents of the Macombs Facility and the rentals and other amounts payable thereunder granted by Macombs LLC, as assignor, to the Issuer and the Macombs Facility Trustee, as assignees (collectively, the “Macombs Facility Lease Assignment”), which Macombs Facility Lease Assignment will be assigned by the Issuer to the Macombs Facility Trustee pursuant to one or more Assignments of Macombs Facility Lease Assignment from the Issuer to the Macombs Facility Trustee (collectively, the “Macombs Facility Assignment of ALR”); (B) one or more mortgage liens on and security interests in the Macombs Facility granted by Macombs LLC, as mortgagor, to the Issuer and the Macombs Facility Trustee, as mortgagees, pursuant to one or more Mortgage and Security Agreements (collectively, the “Macombs Facility Mortgage”), which Macombs Facility Mortgage will be assigned by the Issuer to the Macombs Facility Trustee pursuant to one or more Assignments of Macombs Facility Mortgage and Security Agreements from the Issuer to the Macombs Facility Trustee (collectively, the “Assignment of Macombs Facility Mortgage”); (C) a Macombs Facility Building Loan Agreement among the Issuer, the Macombs LLC and the Macombs Facility Trustee (the “Macombs Facility Building Loan Agreement”); and (D) a Macombs Facility Assignment of Contracts and Interest in Licenses, Permits and Agreements from the Macombs LLC to the Macombs Facility Trustee (the “Macombs Facility Assignment of Contracts”);

(ii) the Jerome Facility Bonds are to be secured by: (A) one or more collateral assignments of leases and rents of the Jerome Facility and the rentals and other amounts payable thereunder granted by Jerome LLC, as assignor, to the Issuer and the Jerome Facility Trustee, as assignees (collectively, the “Jerome Facility Lease Assignment”), which Jerome Facility Lease Assignment will be assigned by the Issuer to the Jerome Facility Trustee pursuant to one or more Assignments of Jerome Facility Lease Assignment from the Issuer to the Jerome Facility Trustee (collectively, the “Jerome Facility Assignment of ALR”); (B) one or more mortgage liens on and security interests in the Jerome Facility granted by Jerome LLC, as mortgagor, to the Issuer and the Jerome Facility Trustee, as mortgagees, pursuant to one or more Mortgage and Security Agreements (collectively, the “Jerome Facility Mortgage”), which Jerome Facility Mortgage will be assigned by the Issuer to the Jerome Facility Trustee pursuant to one or more Assignments of Jerome Facility Mortgage and Security Agreements from the Issuer to the Jerome Facility Trustee (collectively, the “Assignment of Jerome Facility Mortgage”); (C) a Jerome Facility Building Loan Agreement among the Issuer, the Jerome LLC and the Jerome Facility Trustee (the “Jerome Facility Building Loan Agreement”); and (D) a Jerome Facility Assignment of Contracts and Interest in

Licenses, Permits and Agreements from the Jerome LLC to the Jerome Facility Trustee (the “Jerome Facility Assignment of Contracts”); and

(iii) the Gerard Facility Bonds are to be secured by: (A) one or more collateral assignments of leases and rents of the Gerard Facility and the rentals and other amounts payable thereunder granted by Gerard LLC, as assignor, to the Issuer and the Gerard Facility Trustee, as assignees (collectively, the “Gerard Facility Lease Assignment”), which Gerard Facility Lease Assignment will be assigned by the Issuer to the Gerard Facility Trustee pursuant to one or more Assignments of Gerard Facility Lease Assignment from the Issuer to the Gerard Facility Trustee (collectively, the “Gerard Facility Assignment of ALR”); (B) one or more mortgage liens on and security interests in the Gerard Facility Prime Lease granted by Gerard LLC, as mortgagor, to the Issuer and the Gerard Facility Trustee, as mortgagees, pursuant to one or more Mortgage and Security Agreements (collectively, the “Gerard Facility Mortgage”), which Gerard Facility Mortgage will be assigned by the Issuer to the Gerard Facility Trustee pursuant to one or more Assignments of Gerard Facility Mortgage and Security Agreements from the Issuer to the Gerard Facility Trustee (collectively, the “Assignment of Gerard Facility Mortgage”); (C) a Gerard Facility Building Loan Agreement among the Issuer, the Gerard LLC and the Gerard Facility Trustee (the “Gerard Facility Building Loan Agreement”); and (D) a Gerard Facility Assignment of Contracts and Interest in Licenses, Permits and Agreements from the Gerard LLC to the Gerard Facility Trustee (the “Gerard Facility Assignment of Contracts”);

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

Section 1. The Issuer hereby determines that the financing and refinancing of the costs of the respective Projects 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 respective Projects and authorizes:

(i) the Applicant, KIPP NYC, KIPP NYC Properties and Macombs LLC to proceed with the Macombs Facility Project as set forth herein, which financing and refinancing will be effected in part through the issuance of the Macombs Facility Bonds of the Issuer, which Macombs Facility Bonds will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Macombs Facility Loan Agreement and the Macombs Facility Promissory Notes;

(ii) the Applicant, KIPP NYC, KIPP NYC Properties and Jerome LLC to proceed with the Jerome Facility Project as set forth herein, which financing and refinancing will be effected in part through the issuance of the Jerome Facility Bonds of the Issuer, which Jerome Facility Bonds will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Jerome Facility Loan Agreement and the Jerome Facility Promissory Notes; and

(iii) the Applicant, KIPP NYC, KIPP NYC Properties and Gerard LLC to proceed with the Gerard Facility Project as set forth herein, which financing and refinancing will be effected in part through the issuance of the Gerard Facility Bonds of the Issuer, which Gerard Facility Bonds will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Gerard Facility Loan Agreement and the Gerard Facility Promissory Notes.

Section 3. To provide for the financing and refinancing of (i) the Macombs Facility Project, the issuance of the Macombs Facility Bonds by the Issuer is hereby authorized subject to the provisions of this Resolution and the Macombs Facility Indenture hereinafter authorized, (ii) the Jerome Facility Project, the issuance of the Jerome Facility Bonds by the Issuer is hereby authorized subject to the provisions of this Resolution and the Jerome Facility Indenture hereinafter authorized, and (iii) the Gerard Facility Project, the issuance of the Gerard Facility Bonds by the Issuer is hereby authorized subject to the provisions of this Resolution and the Gerard Facility Indenture hereinafter authorized.

Each of the Macombs Facility Bonds, the Jerome Facility Bonds and the Gerard Facility Bonds shall be issued as fully registered bonds in one or more tax-exempt and taxable series, shall be dated as provided in the respective Indenture, shall be payable as to principal and redemption premium, if any, at the principal office of the applicable Trustee, shall be payable semi-annually as to interest by check, draft or wire transfer as provided in the respective Indenture, shall bear interest at annual fixed rates (such final rates to be determined by the Certificate of Determination), shall be subject to optional and mandatory redemption and tender as provided in the respective Indenture and shall be payable as provided in the respective Indenture until the payment in full of the principal amount thereof, all as set forth in the Macombs Facility Bonds, the Jerome Facility Bonds and the Gerard Facility Bonds, as the case may be.

The Macombs Facility Bonds shall be issued in the approximate principal amount yielding proceeds of approximately \$132,000,000 (or such greater principal amount yielding proceeds not to exceed \$145,200,000), shall bear interest payable semi-annually at annual rates of interest not to exceed 6% in the case of Tax-Exempt Bonds and not to exceed 6 1/4% in the case of Taxable Bonds, and shall mature not greater than approximately 40 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination). The provisions for signatures, authentication, payment, delivery, redemption and number of the Macombs Facility Bonds shall be set forth in the Macombs Facility Indenture hereinafter authorized.

The Jerome Facility Bonds shall be issued in the approximate principal amount yielding proceeds of approximately \$128,000,000 (or such greater principal amount yielding proceeds not to exceed \$140,800,000), shall bear interest payable semi-annually at annual rates of interest not to exceed 6% in the case of Tax-Exempt Bonds and not to exceed 6 1/4% in the case of Taxable Bonds, and shall mature not greater than approximately 40 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination). The provisions for signatures, authentication, payment, delivery,

redemption and number of the Jerome Facility Bonds shall be set forth in the Jerome Facility Indenture hereinafter authorized.

The Gerard Facility Bonds shall be issued as Taxable Bonds in the approximate principal amount yielding proceeds of approximately \$20,000,000 (or such greater principal amount yielding proceeds not to exceed \$22,000,000), shall bear interest payable semi-annually at annual rates of interest not to exceed 6 1/4%, and shall mature not greater than approximately 40 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination). The provisions for signatures, authentication, payment, delivery, redemption and number of the Gerard Facility Bonds shall be set forth in the Gerard Facility Indenture hereinafter authorized.

Section 4. The Macombs Facility Bonds shall be secured by the pledge effected by the Macombs Facility Indenture and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts payable under the Macombs Facility Loan Agreement and the Macombs Facility Promissory Notes to the extent set forth in the Macombs Facility Loan Agreement and the Macombs Facility Indenture hereinafter authorized. The Macombs Facility Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Macombs Facility Indenture, including from moneys deposited in the Bond Funds, the Debt Service Reserve Funds, the Project Funds, the Renewal Fund and such other funds as established under the Macombs Facility Indenture (subject to disbursements therefrom in accordance with the Macombs Facility Loan Agreement and the Macombs Facility 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 Macombs Facility Bonds be payable out of any funds of the Issuer other than those pledged therefor. The payment of the principal of, redemption premium, if any, and interest on the Macombs Facility Bonds will be secured pursuant to the Macombs Facility Lease Assignment, the Macombs Facility Mortgage, the Macombs Facility Building Loan Agreement and the Macombs Facility Assignment of Contracts.

The Jerome Facility Bonds shall be secured by the pledge effected by the Jerome Facility Indenture and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts payable under the Jerome Facility Loan Agreement and the Jerome Facility Promissory Notes to the extent set forth in the Jerome Facility Loan Agreement and the Jerome Facility Indenture hereinafter authorized. The Jerome Facility Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Jerome Facility Indenture, including from moneys deposited in the Bond Funds, the Debt Service Reserve Funds, the Project Funds, the Renewal Fund and such other funds as established under the Jerome Facility Indenture (subject to disbursements therefrom in accordance with the Jerome Facility Loan Agreement and the Jerome Facility 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 Jerome Facility Bonds be payable out of any funds of the Issuer other than those pledged therefor. The payment of the principal of, redemption premium, if any, and interest on the Jerome Facility Bonds will be secured pursuant to the Jerome Facility Lease Assignment, the Jerome Facility

Mortgage, the Jerome Facility Building Loan Agreement and the Jerome Facility Assignment of Contracts.

The Gerard Facility Bonds shall be secured by the pledge effected by the Gerard Facility Indenture and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts payable under the Gerard Facility Loan Agreement and the Gerard Facility Promissory Note to the extent set forth in the Gerard Facility Loan Agreement and the Gerard Facility Indenture hereinafter authorized. The Gerard Facility Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Gerard Facility Indenture, including from moneys deposited in the Bond Funds, the Debt Service Reserve Funds, the Project Funds, the Renewal Fund and such other funds as established under the Gerard Facility Indenture (subject to disbursements therefrom in accordance with the Gerard Facility Loan Agreement and the Gerard Facility 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 Gerard Facility Bonds be payable out of any funds of the Issuer other than those pledged therefor. The payment of the principal of, redemption premium, if any, and interest on the Gerard Facility Bonds will be secured pursuant to the Gerard Facility Lease Assignment, the Gerard Facility Mortgage, the Gerard Facility Building Loan Agreement and the Gerard Facility Assignment of Contracts.

Section 5. Each of the Macombs Facility Bonds, the Jerome Facility Bonds and the Gerard Facility (including any Tax-Exempt Bonds or Taxable Bonds comprising any Series thereof) are authorized to be sold to Morgan Stanley & Co. LLC or an affiliate thereof, as underwriter or placement agent (or such other or additional banking firm or firms as shall be approved by the Certificate of Determination) (the "Investment Bank"), or placed by the Investment Bank with such institution(s) as shall be approved by the Certificate of Determination, in each case at such purchase price as shall be approved by the Certificate of Determination.

Section 6. The execution, as applicable, and delivery of the Macombs Facility Indenture, the Jerome Facility Indenture, the Gerard Facility Indenture, the Macombs Facility Loan Agreement, the Jerome Facility Loan Agreement, the Gerard Facility Loan Agreement, the endorsement of the Macombs Facility Promissory Notes to the Macombs Facility Trustee, the endorsement of the Jerome Facility Promissory Notes to the Jerome Facility Trustee, the endorsement of the Gerard Facility Promissory Note to the Gerard Facility Trustee, a Preliminary Official Statement or Preliminary Offering Memorandum with respect to the Bonds (the "Preliminary Offering Statement"), a final Official Statement or Offering Memorandum with respect to the Bonds (the "Offering Statement"), a Bond Purchase Agreement or Bond Placement Agreement among the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC, Gerard LLC, the Issuer and the Investment Bank, the Macombs Facility Assignment of ALR, the Jerome Facility Assignment of ALR, the Gerard Facility Assignment of ALR, the Assignment of Macombs Facility Mortgage, the Assignment of Jerome Facility Mortgage, the Assignment of Gerard Facility Mortgage, the Macombs Facility Building Loan Agreement, the Jerome Facility Building Loan Agreement, the Gerard Facility Building Loan Agreement, a Letter of Representation and Indemnity Agreement from the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC to the Issuer, the Macombs Facility

Trustee, the Jerome Facility Trustee, the Gerard Facility Trustee and the Investment Bank, a Tax Regulatory Agreement with respect to the Macombs Facility Bonds comprising Tax-Exempt Bonds from the Issuer, the Applicant, KIPP NYC, KIPP NYC Properties and Macombs LLC to the Macombs Facility Trustee, and a Tax Regulatory Agreement with respect to the Jerome Facility Bonds comprising Tax-Exempt Bonds from the Issuer, the Applicant, KIPP NYC, KIPP NYC Properties and Jerome LLC to the Jerome Facility Trustee (the documents referenced in this Section 6 being, collectively, the “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 and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Document, together with any amendment to any of the Issuer Documents relative to the inclusion of PCS Properties Foundation, Inc. within the Issuer Documents (and the possible release of KIPP NYC Properties from the Issuer Documents). The execution and delivery of each such Issuer Document (and any amendment thereto) by said officer shall be conclusive evidence of due authorization and approval.

Section 7. The Issuer hereby authorizes the distribution of the Preliminary Offering Statement and the Offering Statement with respect to the Bonds to prospective purchasers of the Bonds.

Section 8. 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 thereof by the provisions of this Resolution and the 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 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 9. 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 10. The Issuer is hereby authorized to cause the Applicant, KIPP NYC, KIPP NYC Properties and Macombs LLC to proceed with the Macombs Facility Project, the



agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Macombs Facility Bonds, all as particularly authorized by the terms and provisions of the Macombs Facility Loan Agreement. The Applicant, KIPP NYC, KIPP NYC Properties and Macombs LLC are authorized to proceed with the Macombs Facility Project; provided, however, that it is acknowledged and agreed by the Applicant, KIPP NYC, KIPP NYC Properties and Macombs LLC 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, KIPP NYC, KIPP NYC Properties or Macombs LLC for such purpose or for any other purpose.

The Issuer is hereby authorized to cause the Applicant, KIPP NYC, KIPP NYC Properties and Jerome LLC to proceed with the Jerome Facility Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Jerome Facility Bonds, all as particularly authorized by the terms and provisions of the Jerome Facility Loan Agreement. The Applicant, KIPP NYC, KIPP NYC Properties and Jerome LLC are authorized to proceed with the Jerome Facility Project; provided, however, that it is acknowledged and agreed by the Applicant, KIPP NYC, KIPP NYC Properties and Jerome LLC 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, KIPP NYC, KIPP NYC Properties or Jerome LLC for such purpose or for any other purpose.

The Issuer is hereby authorized to cause the Applicant, KIPP NYC, KIPP NYC Properties and Gerard LLC to proceed with the Gerard Facility Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Gerard Facility Bonds, all as particularly authorized by the terms and provisions of the Gerard Facility Loan Agreement. The Applicant, KIPP NYC, KIPP NYC Properties and Gerard LLC are authorized to proceed with the Gerard Facility Project; provided, however, that it is acknowledged and agreed by the Applicant, KIPP NYC, KIPP NYC Properties and Gerard LLC 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, KIPP NYC, KIPP NYC Properties or Gerard LLC for such purpose or for any other purpose.

Section 11. Any expenses incurred by the Issuer with respect to the Macombs Facility Project and the financing thereof, shall be reimbursed out of the proceeds of the Macombs Facility Bonds or, in the event such proceeds are insufficient after payment of other costs of the Macombs Facility Project or the Macombs Facility Bonds are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid by the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC. Any expenses incurred by the Issuer with respect to the Jerome Facility Project and the financing thereof, shall be reimbursed out of the proceeds of the Jerome Facility Bonds or, in the event such proceeds are insufficient after payment of other costs of the Jerome Facility Project or the Jerome Facility Bonds are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid by the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC. Any expenses incurred by the Issuer with respect to the Gerard Facility Project and the financing thereof, shall be reimbursed out of the proceeds of the Gerard Facility Bonds or, in the event such proceeds are insufficient after payment of other costs of the Gerard Facility Project or the Gerard Facility Bonds are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid

by the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC.

By accepting this Resolution, the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC agree to pay such expenses and further agree to indemnify the Issuer, its members, 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 any or all of the respective Projects and the respective financing thereof.

Section 12. In connection with the Macombs Facility Project, the Issuer intends to grant the Applicant, KIPP NYC, KIPP NYC Properties and Macombs LLC financing assistance in the form of the issuance of the Macombs Facility Bonds and exemptions or deferrals of mortgage recording tax. In connection with the Jerome Facility Project, the Issuer intends to grant the Applicant, KIPP NYC, KIPP NYC Properties and Jerome LLC financing assistance in the form of the issuance of the Jerome Facility Bonds and exemptions or deferrals of mortgage recording tax. In connection with the Gerard Facility Project, the Issuer intends to grant the Applicant, KIPP NYC, KIPP NYC Properties and Gerard LLC financing assistance in the form of the issuance of the Gerard Facility Bonds and exemptions or deferrals of mortgage recording tax.

Section 13. Any qualified costs incurred by the Applicant, KIPP NYC, KIPP NYC Properties or Macombs LLC in initiating the Macombs Facility Project shall be reimbursed by the Issuer from the proceeds of the Macombs Facility Bonds; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution. Any qualified costs incurred by the Applicant, KIPP NYC, KIPP NYC Properties or Jerome LLC in initiating the Macombs Facility Project shall be reimbursed by the Issuer from the proceeds of the Macombs Facility Bonds; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution. Any qualified costs incurred by the Applicant, KIPP NYC, KIPP NYC Properties or Gerard LLC in initiating the Gerard Facility Project shall be reimbursed by the Issuer from the proceeds of the Gerard Facility Bonds; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

Section 14. The Issuer, as lead agency, is issuing these determinations pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 NYCRR Part 617. These determinations are based upon the Issuer's review of information provided by the Applicant and KIPP NYC and such other information as the Issuer has deemed necessary and appropriate to make these determinations:

(a) The Issuer has determined that the Macombs Facility Project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would 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:

(i) The Macombs Facility Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. The school's students, faculty and

employees and visitors arriving at the sites would not result in a significant increase in vehicular traffic;

(ii) The Macombs Facility Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources of the existing neighborhood;

(iii) The Macombs Facility Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality;

(iv) The Macombs Facility Project would not result in a change in existing zoning or land use. The school building would be as-of-right under zoning;

(v) A Phase I Environmental Site Assessment disclosed that the soil could be contaminated with petroleum and other contaminants. There is an E-designation on the site for hazardous materials. This requires that the Applicant satisfy the Mayor's Office of Environmental Remediation (MOER) that the Applicant has performed a Phase II site investigation and provided any remediation that might be needed. MOER must give the Applicant a letter of no objection, which will allow the Macombs Facility Project to proceed to obtain the requisite NYC Department of Buildings permits. With the implementation of further testing in accordance with all relevant guidance and regulations and with the installation of appropriate remedial mechanisms, the construction of the Macombs Facility Project would not result in any significant adverse impacts related to hazardous materials; and

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

(b) The Issuer has determined that the Jerome Facility Project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would 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:

(i) The Jerome Facility Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. The school's students, faculty and employees and visitors arriving at the sites would not result in a significant increase in vehicular traffic;

(ii) The Jerome Facility Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources of the existing neighborhood;

(iii) The Jerome Facility Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality;

(iv) The Jerome Facility Project would not result in a change in existing zoning or land use. The school building would be as-of-right under zoning;

(v) A Phase I Environmental Site Assessment disclosed that the property has some Recognized Environmental Conditions (RECs) that should be addressed. Specifically, the Phase I indicated potential soil contamination from previous uses and historic fill, which requires a Phase II Site Investigation and a Health and Safety and Excavation Plan, if warranted. The Phase II Site Investigation, Health and Safety Plan and Excavation Plan as needed should be completed by the Applicant and approved by NYCDEP prior to award of the financial assistance. With the implementation of further testing in accordance with all relevant guidance and regulations and with the installation of appropriate remedial mechanisms, the construction of the Jerome Facility Project would not result in any significant adverse impacts related to hazardous materials; and

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

(c) The Issuer has determined that the Gerard Facility Project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would 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:

(i) The Gerard Facility Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. The school's students, faculty and employees and visitors arriving at the sites would not result in a significant increase in vehicular traffic;

(ii) The Gerard Facility Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources of the existing neighborhood;

(iii) The Gerard Facility Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality;

(iv) The Gerard Facility Project would not result in a change in existing zoning or land use. The school building would be as-of-right under zoning;

(v) Phase I and II Environmental Site Assessments disclosed that the soil is contaminated with petroleum and other contaminants. There is an E-designation on the site for hazardous materials. This requires that the Applicant satisfy the Mayor's Office of Environmental Remediation (MOER) that the Applicant has performed any remediation that might be needed. MOER must give the Applicant a letter of no objection, which will allow the Gerard Facility Project to proceed to obtain the requisite NYC Department of Buildings permits. The Applicant has prepared a workplan for this remediation and MOER has approved it. With the implementation of the remediation in accordance with all relevant guidance and regulations and with the installation of appropriate remedial mechanisms, the construction of the Gerard Facility Project would not result in any significant adverse impacts related to hazardous materials; and

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

Section 15. This Resolution is subject to the approval of a private investigative report with respect to the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC, 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 11 hereof) unless (i) prior to the expiration of such year the Issuer shall (x) have issued the respective Bonds for the applicable Projects, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Applicant, KIPP NYC, KIPP NYC Properties, Macombs LLC, Jerome LLC and Gerard LLC shall be continuing to take affirmative steps to secure financing for the respective Projects.

Section 16. This Resolution constitutes “other similar official action” under the provisions of Treasury Regulation 1.103-8(a)(5) promulgated under Section 103 and related sections of the Internal Revenue Code of 1986, as amended (the “Code”). This Resolution is subject to further compliance with the provisions of Sections 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the respective Projects and the Bonds.

Section 17. 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 Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel 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 18. This Resolution shall take effect immediately.

ADOPTED: March 9, 2021

KIPP NEW YORK, INC.

MACOMBS 1504, LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KIPP NYC PUBLIC CHARTER SCHOOLS

JEROME 2720, LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KIPP NYC PROPERTIES, LLC

GERARD 501, LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Accepted: \_\_\_\_\_, 2021

**Exhibit G**

## **Project Summary**

Saint Ann's School (the "School" or "Saint Ann's"), a New York not-for-profit education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is seeking a post-closing amendment of its Series 2015 note issuance currently outstanding in the amount of \$28,260,622 ("Series 2015 Notes"), and an additional Series 2021 note issuance in the amount of \$12,000,000 ("Series 2021 Notes"). The proceeds of the Series 2015 Notes were used by the School to: (1) finance the renovation, expansion, furnishing and equipping of three of the school's buildings located at 129, 124 and 122 Pierrepont Street in Brooklyn Heights (the tax lots for 122 Pierrepont and 124 Pierrepont were subsequently merged and are now both known as 124 Pierrepont), and (2) pay for certain costs associated with the issuance of the Series 2015 Notes. The School is seeking a post-closing amendment to lower the interest rate and extend the maturity of the Series 2015 Notes. The Series 2021 Notes will be tax-exempt notes to be issued as qualified 501(c)(3) revenue bonds. Proceeds of the Series 2021 Notes, together with other funds available to School, will be used to (i) finance the acquisition of a 5,000 square foot, five-level building located on a 2,500 square foot parcel of land located at 116 Pierrepont Street, Brooklyn 11201; (ii) finance necessary renovations, repairs and upgrades to three of the school's existing buildings located at 129, 124 and 153 Pierrepont Street in Brooklyn Heights; and (iii) pay for certain costs related to the issuance of the Series 2021 Notes (i, ii, iii collectively, the "Series 2021 Project"). All of the facilities are owned and operated by the School as part of a co-educational private school for students from pre-kindergarten through grade 12.

### **Current Locations**

124, 129 and 153 Pierrepont Street  
Brooklyn, New York 11201

### **Project Locations**

116, 124, 129 and 153 Pierrepont Street  
Brooklyn, New York 11201

## **Actions Requested**

- Approve amendments to the Series 2015 Notes necessary to modify the interest rate and maturity date.
- Approval and Authorizing Resolution for the Series 2021 Notes.
- Adopt a SEQRA determination that the proposed Series 2021 Project is an unlisted action and therefore no further environmental review is required.

## **Anticipated Closing**

May 2021

## **Impact Summary**

Employment	
Jobs at Application:	229
Jobs to be Created at Project Location (Year 3):	0
<b>Total Jobs (full-time equivalents)</b>	<b>229</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$41.55</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$68.14/\$15.00</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 30 years at 6.25%)	\$26,205,790
One-Time Impact of Renovation	\$156,173
<b>Total impact of operations and renovation</b>	<b>\$26,361,963</b>



## **Saint Ann's School**

Estimated Cost of Benefits Requested: New York City	
NYC Forgone Income Tax on Bond Interest	\$22,832
Corporation Financing Fee	(\$102,500)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>(\$79,668)</b>

<b>Costs of Benefits Per Job</b>	
Estimated Net City Cost of Benefits per Job in Year 3	(\$347)
Estimated City Tax Revenue per Job in Year 3	\$115,118

Estimated Cost of Benefits Requested: New York State	
NYS Forgone Income Tax on Bond Interest	\$85,899
<b>Total Cost to NYS</b>	<b>\$85,899</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$6,231</b>

## **Sources and Uses (Series 2021 Project)**

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$12,000,000	100%
<b>Total</b>	<b>\$12,000,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Land and Building Acquisition	\$5,200,000	43%
Hard Costs	\$5,000,000	42%
Soft Costs	\$1,000,000	8%
Closing Fees	\$800,000	7%
<b>Total</b>	<b>\$12,000,000</b>	<b>100%</b>

## **Fees**

	Paid at Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$102,500	
Bond Counsel	135,000	
Annual Corporation Fee	1,250	\$16,756
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	\$6,702
Trustee Counsel Fee	5,000	
Post-Closing Fee (Series 2015)	2,500	
Total	\$247,250	\$23,458
<b>Total Fees</b>	<b>\$270,708</b>	

## **Financing and Benefits Summary**

First Republic Bank is the holder of the School's Series 2015 Notes, and will also directly purchase the Series 2021 Notes. First Republic Bank will adjust the terms of the Series 2015 Notes to match those of the Series 2021 Notes: both series will have a 30-year term, a fixed interest rate of 2.50%, and will be secured by a gross revenue pledge. The School will be required by First Republic Bank to maintain certain financial covenants including a 1.20x DSCR and

## **Saint Ann's School**

a minimum liquidity covenant. Based on an analysis of the School's financial statements, staff estimates a debt service coverage ratio of 4.10x.

### **Applicant Summary**

The School is an arts-oriented private school located in the Brooklyn Heights neighborhood of Brooklyn. The School is a non-sectarian, co-educational pre-K through grade 12 day school with rigorous programs in the arts, humanities, and sciences. Current enrollment is approximately 1,012 students from preschool through 12th grade. The School was founded in 1965 with 63 students and seven teachers in the basement of the St. Ann's Episcopal Church on Pierrepont Street in Brooklyn Heights. In 1966 the School purchased the nearby 15-story former Crescent Athletic Club House building, which has since served as the School's main building. Over the years the School has grown through the acquisition of several nearby buildings, mostly located on Pierrepont Street in Brooklyn Heights. The campus currently includes seven buildings including the main former Crescent Athletic Club House building, which houses the 4th through 12th grades; a lower school building for the 1st through 3rd grades; two adjoining brownstones, one of which houses the school's fine arts department; and a preschool and kindergarten located near the main campus.

The Series 2021 Project will allow the School to secure space for its academic programs in close proximity to its main buildings, and to complete facility upgrades that improve energy efficiency, replace heating systems at the end of their useful life, and comply with legislation such as Local Law 11.

### **Vincent Tompkins, Head of School**

Vince Tompkins joined Saint Ann's as Head of School in 2010, and is an ex officio member of the Board of Trustees. He is the parent of two Saint Ann's graduates as well as the parent of a current student. Mr. Tompkins came to Saint Ann's from Brown University, where he was the Deputy Provost. Prior to his tenure at Brown he taught American cultural and intellectual history in the History Department and the History and Literature program and served in a variety of administrative positions at Harvard University. Mr. Tompkins holds an A.B. in History from Brown, and a Ph.D. in History from Harvard.

### **Bianca Roberson, Chief Financial Officer**

Bianca Roberson serves as the Chief Financial Officer at Saint Ann's. Ms. Roberson began her career in the nonprofit sector, working for 20 years in the D.C. metropolitan area, eventually owning her own consulting firm to support small nonprofits with high-quality accounting services. She began her work with independent schools as the Chief Financial Officer at Stephen Gaynor School in Manhattan in 2012. She then worked as Chief Financial Officer at Tower Hill School in Wilmington, Delaware before joining the School in 2018. She holds a B.A. in Economics from University of Maryland and an M.B.A. from Johns Hopkins University.

### **David Smith, Director of Advancement**

David Smith serves as the Director of Advancement at Saint Ann's. He began his career as a history and government teacher in the New York City public schools, and then taught at Friends Seminary in Manhattan. He started working in development in 2008 with CCS Fundraising, where his clients included Women for Women International, Pace University and the NAACP. He returned to independent schools in 2010 as the Director of Development for the Calhoun School. In 2013, he became the Director of Development for The Allen-Stevenson School. He presented a session on diversity and development at the National Association of Independent Schools (NAIS) Conference in 2016 and at the NAIS People of Color Conference in 2014. Mr. Smith earned a bachelor's degree in government from Georgetown University and a master's degree in history from Rutgers University.

### **Employee Benefits**

The School provides health insurance, retirement benefits, on-the-job training, and sick pay.

## **Saint Ann's School**

### **SEQRA Determination (Series 2021 Project)**

Unlisted Action which, if implemented, will not result in significant adverse environmental impacts. 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.

<b>Compliance Check:</b>	Compliant
<b>Living Wage:</b>	Exempt
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	Compliant
<b>Private School Policy:</b>	Compliant
<b>Bank Account:</b>	First Republic Bank
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.
<b>Customer Checks:</b>	Not Applicable
<b>Unions:</b>	Not Applicable
<b>Background Check:</b>	No derogatory information was found.
<b>Attorney:</b>	Michele Arbeeny Windels Marx Lane & Mittendorf, LLP 156 West 56th Street New York, NY 10019
<b>Accountant:</b>	Rob Cordero O'Connor Davies 500 Mamaroneck Ave Harrison NY 10528
<b>Consultant/Advisor:</b>	Dan Froehlich Davidson & Co. 757 Third Ave New York, NY 10017
<b>Community Board:</b>	Brooklyn, CB #2

## **Saint Ann's School**

### **Board of Trustees**

**Jon Brayshaw, Chair**

Founding Partner/Fund Manager, Prime Finance Partners

**Mino Capossela, President, Ex Officio**

Partner, Goldman Sachs

**Mary Watson, Vice President**

Senior Attorney, Cleary, Gottlieb, Steen, and Hamilton

**Crystal Bobb-Semple, Secretary**

Founder and CEO, Camp Half-Blood, Brooklyn

**Dan Stone Treasurer, Chair, Finance Committee**

Co-founder, Ionic Capital Management.

**Tony Charuvastra, At Large**

Assistant Professor, NYU Medical Center,  
Child and Adolescent Psychiatry

**Vince Tompkins, Head of School, Ex Officio**

Head of School, Saint Ann's School

**Ia Andrews, At Large**

Practicing Psychologist

**Tamara Belinfanti, At Large**

Professor of Law, New York Law School.

**Dan Bergner, At Large**

Saint Ann's English Teacher

**Stephen Cassell, Chair, Physical Facilities Committee**

Principal, Architecture Research Office (ARO)

**Marj Coleman, At Large**

Director of Legal Services, New York News Inc.,

**Peter Davidson, At Large**

CEO and Co-Founder, Aligned Climate Capital

**Luke Fichthorn, Chair, Development Committee**

Trustee, The Noguchi Museum in Long Island City.

**Mike Haddad, Chair, Investment Committee**

Deputy CIO for Public and Tradable Markets,  
Bureau of Asset Management, Office of the NYC Comptroller

**Julia Kahr, At Large**

Senior Managing Director, The Blackstone Group

## **Saint Ann's School**

### **Carolyn Katz Chair, Audit & Risk Committee**

Executive Chairman, Author and Company

### **Alex King, At Large**

Strategy and Operations Manager at Google Fiber.

### **Marc Mayer, At Large**

CEO, Manning & Napier



January 12, 2021

Mr. Krishna Omolade  
Deputy Executive Director  
NYCIDA and Build NYC Resource Corporation  
New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

Re: Application for refinancing / new money through the Build NYC Resource Corp. / Not-For-Profit Bond Program on behalf of Saint Ann's School

Dear Mr. Omolade:

Founded in 1965 in Brooklyn, Saint Ann's School, a 501 (c) 3 non-profit, has embraced a commitment to education for its own sake, oriented to the capacities of each individual student, free of the encumbrances of formal grading, prizes, and rankings. At the same time, we are unabashedly committed to excellence in all that we do. With a faculty and staff numbering more than 350 and over 1,100 students, Saint Ann's is among the largest independent schools in New York City. Occupying space in seven separate buildings clustered in Brooklyn Heights, Saint Ann's draws most of its students from nearby Brooklyn neighborhoods as well as Manhattan. Known for its commitment to an education that brings together passionate and talented teachers with gifted and motivated students, Saint Ann's has earned an outstanding reputation in academic disciplines and the arts.

In the application plan of finance, Saint Ann's School proposes the issuance of tax exempt bonds in the estimated amount of \$40 million and not to exceed \$43 million to refinance existing debt, finance the acquisition of a 5,000 square foot facility at 116 Pierrepont St, Brooklyn 11201, and make critical repairs and upgrades to the school's existing facilities. But for lower tax exempt interest rate and other ancillary benefits offered by a Build NYC financing, Saint Ann's School would not be in a position to either realize debt service savings by refinancing existing debt or to affordably finance the acquisition and equipping of 116 Pierrepont St and the repair/upgrade of existing facilities. Equally important, the savings allow Saint Ann's to grow its programs and academic offerings, which results in the maintenance of existing full and part-time jobs and future sustainable workforce growth to match student headcount growth.

Thank you for your time and consideration in reviewing Saint Ann's application. The team looks forward to working with you.

Very truly yours,

  
Bianca Roberson  
Chief Financial Officer

**Exhibit H**

Resolution approving the amendment of the Build NYC Resource Corporation 2015 Tax-Exempt Revenue Note (Saint Ann's School Project) issued in the aggregate principal amount of \$30,000,000 and related documents thereto 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 bases; and (iii) to undertake other 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, on May 12, 2015, the Issuer adopted a resolution (the "Original Resolution") authorizing, among other things, the issuance of one or more Revenue Notes (Saint Ann's School Project), Series 2015 in the aggregate principal amount of approximately \$30,000,000 (the "Original Issuer Promissory Note"), or such greater amount (not to exceed 10% more than such stated amount), for the benefit of Saint Ann's School (the "Borrower"), a New York not-for-profit education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, for the following purposes: (1) financing the renovation, expansion, furnishing and equipping of: (i) an approximately 103,000 square foot twelve-story building to be expanded to approximately 103,500 square feet located on an approximately 8,121 square foot parcel of land located at 129 Pierrepont Street, Brooklyn, New York 11201, (ii) an approximately 9,085 square foot five-story building to be expanded to approximately 10,275 square feet located on an approximately 2,500 square foot parcel of land located at 124 Pierrepont Street, Brooklyn, New York 11201 and (iii) an approximately 7,074 square foot five-story building to be expanded to approximately 8,325 square feet located on an approximately 2,500 square foot parcel of land located at 122 Pierrepont Street, Brooklyn, New York 11201 and (2) the payment of certain costs related to the issuance of the Original Issuer Promissory Note (collectively, the "Project"); and

WHEREAS, all of the facilities described above (collectively, the "Facilities") are owned and operated by the Borrower as a co-educational private school for students in grade six through grade twelve; and

WHEREAS, on September 10, 2015, the Issuer issued the Original Issuer Promissory Note in the amount of \$30,000,000 in connection with its undertaking of the Project; and



WHEREAS, the Original Issuer Promissory Note was issued pursuant to a Master Loan Agreement, dated as of September 10, 2015 (the “Original Master Loan Agreement”), by and among the Issuer, the Borrower and First Republic Bank (the “Lender”); and

WHEREAS, in order to finance the costs of the Project, the Issuer obtained a loan from the Lender (as further defined in the Original Master Loan Agreement, the “Issuer Loan”), and lent the proceeds thereof to the Borrower (as further defined in the Original Master Loan Agreement, the “Borrower Loan” and, together with the Issuer Loan, the “Loans”); and

WHEREAS, concurrently with the execution of the Original Master Loan Agreement and in order to evidence the Loans, the Borrower executed and delivered to the Issuer a Promissory Note to evidence the Borrower’s payment obligation under the Borrower Loan (the “Original Borrower Promissory Note” and, together with the Original Issuer Promissory Note, collectively, the “Original Promissory Notes” or “Original Notes”), and the Issuer executed and delivered to the Lender the Original Issuer Promissory Note to evidence the Issuer’s payment obligation under the Issuer Loan; and

WHEREAS, the Original Notes are currently outstanding in the principal amount of \$28,260,622.27; and

WHEREAS, the Borrower has now negotiated with the Lender a modification of the Original Master Loan Agreement which will result in a reissuance of the Original Notes for tax purposes (the “Reissuance”); and

WHEREAS, the Borrower has requested that the Issuer and the Lender amend the Original Master Loan Agreement pursuant to the provisions of Section 12.07 of the Original Master Loan Agreement in order to, among other things, (1) extend the maturity date of the Original Notes, (2) reduce the interest rate payable on the Original Notes, and (3) at the request of the Issuer, amend Annex A to the Original Master Loan Agreement to include a new Section 8.17 with respect to Private School Requirements (collectively, the “Amendments”); and

WHEREAS, in order to effectuate the Amendments, (1) the Borrower, the Issuer and the Lender will enter into an Amendment to Master Loan Agreement (the “Amendment to Master Loan Agreement”), (2) the Borrower will execute and deliver to the Issuer an Amended and Restated Promissory Note to evidence the Borrower’s payment obligation under the Borrower Loan (the “Borrower Promissory Note”), and the Issuer will execute and deliver to the Lender an Amended and Restated Promissory Note to evidence the Issuer’s payment obligation under the Issuer Loan (the “Issuer Promissory Note” and, together with the Borrower Promissory Note, collectively, the “Promissory Notes” or “Notes”); and

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

Section 1. The execution and delivery of the Amendment to Master Loan Agreement, the Issuer Promissory Note, an amendment to, or an amendment and restatement of, the Tax Regulatory Agreement among the Issuer and the Borrower and any other necessary amendments to the note documents reflecting the Amendments (the documents referenced in this Section 1 being, collectively, the “Issuer Documents”), each being substantially in the form

approved by the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel of the Issuer in consultation with counsel, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Documents. The execution and delivery of each such Issuer Documents by said officer shall be conclusive evidence of due authorization and approval.

Section 2. 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 Issuer Documents shall be liable personally on the Issuer Documents or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 3. 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 and the Issuer Documents.

Section 4. This Resolution shall take effect immediately.

ADOPTED: March 9, 2021

Resolution approving financing of facilities for Saint Ann's School and authorizing the issuance and sale of an approximately \$12,000,000 Build NYC Resource Corporation 2021 Tax-Exempt Revenue Note (Saint Ann's School Project) 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 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, Saint Ann's School, a not-for-profit education corporation (the "Applicant"), has entered into negotiations with officials of the Issuer in order to finance (i) the acquisition of a 5,000 square foot, five-level building located on a 2,500 square foot parcel of land located at 116 Pierrepont St, Brooklyn 11201; (ii) necessary renovations, repairs and upgrades to three buildings: (a) an approximately 116,863 square foot seven-level building located on an approximately 8,121 square foot parcel of land located at 129 Pierrepont Street, Brooklyn, New York 11201, (b) an approximately 18,600 square foot five-level building located on an approximately 5,000 square foot parcel of land located at 124 Pierrepont Street, Brooklyn, New York, and (c) an approximately 27,680 square foot 6-level building located on an approximately 3,979 square foot parcel of land located at 153 Pierrepont Street, Brooklyn, New York 11201; and (iii) the payment of certain costs related to the issuance of the hereinafter defined Issuer Debt Obligation (i, ii and iii collectively, the "Project"), all for the benefit of the Applicant as a private, co-educational school serving students in pre-kindergarten through twelfth grade; 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 and the Project, including the following: that the Applicant is a not-for-profit education corporation that provides education services to students in pre-kindergarten through grade twelve in the City; that the Applicant has approximately 229 full-time equivalent employees at the Facilities; that the financing of the Project costs with the Issuer's financing assistance will allow the Applicant to continue its programs with a greater measure of financial security; and that, therefore the Issuer's assistance is necessary to assist the Applicant in proceeding with the Project; and

WHEREAS, the Issuer desires to further encourage the Applicant with respect to the financing of the Facilities and 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 2021 Tax-Exempt Revenue Note (Saint Ann's School Project), in the aggregate principal amount of approximately \$12,000,000 (the "Issuer Debt Obligation") or such greater amount (not to exceed 10% more than such stated amount), as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination"), in one or more series, on a tax-exempt or taxable basis, in each case as may be determined in the Certificate of Determination, all pursuant to a structure involving a master loan agreement (the "Loan Agreement") to be entered into between the Issuer, the Applicant and First Republic Bank, as the purchaser of the Issuer Debt Obligation (the "Lender"), and not including an indenture or trustee; and

WHEREAS, the Issuer intends to loan the proceeds of the Issuer Debt Obligation to the Applicant pursuant to the Loan Agreement and (ii) the Applicant will execute one or more promissory notes in favor of the Issuer (the "Applicant Promissory Note") to evidence the Applicant's obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Applicant's obligations under the Loan Agreement and Applicant Promissory Note will be secured by a pledge and security interest in certain assets of the Applicant pursuant to a Security Agreement from the Applicant to the Lender and/or the Issuer (the "Security Agreement"), and, to the extent such Security Agreement runs to the Issuer, which Security Agreement will be assigned by the Issuer to the Lender pursuant to an Assignment of Security Agreement (the "Assignment of 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 to proceed with the Project as set forth herein, which Project will be financed in part through the issuance of the Issuer Debt Obligation, which Issuer Debt Obligation will be a special limited revenue obligation of the Issuer payable solely from the revenues and other amounts derived pursuant to the Loan Agreement and the Applicant Promissory Note.

Section 3. To provide for the financing of the Project, the issuance of the Issuer Debt Obligation is hereby authorized subject to the provisions of this Resolution and the Loan Agreement hereinafter authorized.

The Issuer Debt Obligation shall be in an aggregate amount not to exceed \$12,000,000, or such greater amount (not to exceed 10% more than such stated amount), shall be payable as to principal and interest as provided in the Loan Agreement, 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 Loan Agreement, shall be payable as provided in

the Loan Agreement until the payment in full of the principal amount thereof and shall mature not later than December 31, 2051 (or as determined by the Certificate of Determination), all as set forth in the Issuer Debt Obligation. Other applicable provisions shall be set forth in the Loan Agreement.

Section 4. The Issuer Debt Obligation shall be secured by the pledge effected by the Loan Agreement and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts of the Applicant to the extent set forth in the Loan Agreement hereinafter authorized. The Issuer Debt Obligation shall further be secured by the Security Agreement. The Issuer Debt Obligation, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Loan Agreement, including from moneys deposited in the funds as established under the Loan Agreement (subject to disbursements therefrom in accordance with the Loan Agreement), 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 Issuer Debt Obligation be payable out of any funds of the Issuer other than those pledged therefor.

Section 5. The Issuer Debt Obligation shall be purchased by the Lender. The purchase price of the Issuer Debt Obligation shall be approved by Certificate of Determination.

Section 6. The execution and delivery of the Issuer Debt Obligation and the Loan Agreement, a Letter of Representation and Indemnity from the Applicant, the Assignment of Security Agreement, and a Tax Regulatory Agreement between the Issuer and the Applicant (the documents referenced in this Section 6 being, collectively, the "Issuer Documents"), each being substantially in the form approved pursuant to a Certificate of Determination, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Documents. The execution and delivery of each such Issuer Documents 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 Issuer Debt

Obligation shall be liable personally on the Issuer Debt Obligation 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 Issuer Debt Obligation.

Section 9. The Issuer is hereby authorized to cause the Applicant to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Issuer Debt Obligation, all as particularly authorized by the terms and provisions of the Loan Agreement. The Applicant is authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Applicant 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 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 Issuer Debt Obligation or, in the event such proceeds are insufficient after payment of other costs of the Project or the Issuer Debt Obligation 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, 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 financing assistance in the form of the issuance of the Issuer Debt Obligation.

Section 12. Any qualified costs incurred by the Applicant in initiating the Project shall be reimbursed by the Issuer from the proceeds of the Issuer Debt Obligation 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. 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 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 Project will not result in a substantial adverse change in existing traffic, air quality, or noise levels. The upgraded facilities will continue to serve the existing school

enrollment.

2. The Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood. The 5,000 square-foot building at 116 Pierrepont Street-which is the acquisition property of the Project-is located in the Brooklyn Heights Historic District. Internal renovations and upgrades to the building will require permits from the Department of Buildings and therefore require a routine review by the New York City Landmarks Preservation Commission. It is expected that the proposed renovations and upgrades will receive a Certificate(s) of No Effect from the New York City Landmarks Preservation Commission as they will not affect the architectural features of the building. Therefore, the proposed renovations would have no effect on the Brooklyn Heights Historic District.
3. The Project would not result in a change in existing zoning or a substantial change in land use.
4. The Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
5. The Project would not result in adverse 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 14. This Resolution is subject to the approval of a private investigative report with respect to the Applicant, 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 Issuer Debt Obligation for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Applicant shall be continuing to take affirmative steps to secure financing for the Project.

Section 15. 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 Issuer Debt Obligation.

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 Chairman, Vice Chairman, 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: March 9, 2021

ACCEPTED BY:

SAINT ANN'S SCHOOL

Accepted: \_\_\_\_\_, 2021

\_\_\_\_\_  
Name:

Title:



**Exhibit I**

## **Project Summary**

Friends of New World Prep, Inc. ("Friends"), is a New York not-for-profit corporation, and its affiliate, New World Preparatory Charter School (the "School"), is a New York not-for-profit education corporation exempt from federal taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and operates as a public charter school. On February 18, 2020, Build NYC Resource Corporation's (the "Corporation") Board of Directors adopted a resolution authorizing the issuance and sale of approximately \$42,000,000 in tax-exempt and taxable revenue bonds to finance the costs of (i) the demolition of three existing buildings located at 15 Treadwell Avenue, Staten Island, New York and comprised of the church building consisting of approximately 5,700 square feet, the office building consisting of approximately 8,400 square feet, and the gymnasium/cafeteria building consisting of approximately 8,200 square feet, as well as one existing building located at 2230 Richmond Terrace, Staten Island, New York consisting of approximately 9,600 square feet; (ii) the acquisition, construction, renovation, equipping and furnishing of new and existing buildings located at 26 Sharpe Avenue, Staten Island, New York totaling approximately 47,900 square feet consisting of a new addition and approximately 17,300 square feet and renovations and improvements, all for general classroom and administrative use, together with related site improvements of approximately 42,000 square feet (the "Original Facility"), the Original Facility to be owned by the Friends and leased to the School and operated by the School as a public charter school providing educational services to students in grades K-8; (iii) the acquisition, demolition and site improvements of the adjoining structures and parcels located at 40 Sharpe Avenue, Staten Island, New York with a residential structure consisting of approximately 1,536 square feet and 25 Treadwell Avenue, Staten Island, New York with a residential structure consisting of approximately 1,232 square feet (collectively, the "Ancillary Facilities"), all to be used for temporary modular units during construction of the Original Facility for general administrative use and future educational programming expansion, and which Ancillary Facilities may be leased by Friends to the School; (iv) the funding of debt service reserve funds and capitalized interest; and (v) certain costs related to the issuance of the bonds.

Friends and the School are now seeking approximately \$58,000,000 in tax-exempt and taxable revenue bonds, the proceeds of which will be used, as part of a plan of financing, to finance and refinance the costs of (1) the acquisition of parcels of land totaling approximately 1.26 acres located at 26 Sharpe Avenue, Staten Island, New York (also known as 15 Treadwell Avenue, 19 Treadwell Avenue and 2230 Richmond Terrace) and the five buildings and improvements thereon; (2) the demolition of four of such buildings thereon with the following gross square footage ("GSF"): a church building consisting of approximately 5,700 GSF, an office building consisting of approximately 8,400 GSF, a gymnasium/cafeteria building consisting of approximately 8,200 GSF, and an office building consisting of approximately 9,600 GSF; (3) the design, construction, renovation, equipping and furnishing of an approximately 91,300 GSF three-story (plus basement level) building consisting of the existing building at 26 Sharpe Avenue, Staten Island, New York and a new approximately 17,300 GSF addition of renovations and improvements thereto, all for general classroom and administrative use, together with approximately 37,700 GSF of related site improvements (collectively, the "Facility"); (4) funding debt service reserve funds and capitalized interest; and (5) paying for certain costs related to the issuance of the Bonds. Friends will lease the Facility to the School to be operated by the School as a public charter school providing educational services to students in Kindergarten through Grade 8.

## **Project Location**

26 Sharpe Avenue  
(a/k/a 15 and 19 Treadwell Avenue  
and 2230 Richmond Terrace)  
Staten Island, New York 10302

## Friends of New World Prep, Inc.

### Actions Requested

- Amended Bond Approval and Authorizing Resolution

### Prior Actions

- Bond Approval and Authorizing Resolution February 18, 2020
- Adoption of a SEQRA determination of no significant environmental impacts.

### Anticipated Closing

Spring 2021

### Revised Financing and Benefits Summary

On February 18, 2020, the Corporation's Board of Directors adopted a resolution authorizing the issuance and sale of approximately \$42,000,000 tax-exempt and taxable revenue bonds to finance and refinance the renovation of existing buildings and the construction of new buildings located across five continuous parcels. Corporation staff is now requesting that the Board approve an Amending Bond Approval and Authorizing Resolution to reflect a change to the Project. Friends is now requesting an increase in the amount of tax-exempt and taxable revenue bonds to be issued, which will bring the total Project cost from \$42,000,000 to \$58,000,000. This increase in the aggregate principal bond amount is due to the decision by the School to expand the size of the Facility. This change to the Project required a new public notice and public hearing and will change the benefits previously approved.

### Impact Summary

Employment	
Jobs at Application*:	90.5
Jobs to be Created at Project Location (Year 3)*:	40.0
<b>Total Jobs (full-time equivalents)*</b>	<b>130.5</b>
<b>Projected Average Hourly Wage (excluding principals)*</b>	<b>\$35.93</b>
<b>Highest Wage/Lowest Wage*</b>	<b>\$48.00/\$18.00</b>
*Employment and wage information is provided for the School.	

Estimated City Tax Revenues	
Impact of Operations (NPV 35 years at 6.25%)	\$11,937,566
One-Time Impact of Renovation	\$1,223,755
<b>Total impact of operations and renovation</b>	<b>\$13,161,321</b>
<b>Additional benefit from jobs to be created</b>	<b>\$4,617,619</b>

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$942,500
NYC Forgone Income Tax on Bond Interest	\$745,596
Corporation Financing Fee	(\$315,000)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$1,373,096</b>

## Friends of New World Prep, Inc.

<b>Costs of Benefits Per Job</b>	
Estimated Net City Cost of Benefits per Jobs in Year 3	\$10,521
Estimated City Tax Revenue per Jobs in Year 3	\$136,237

<b>Estimated Cost of Benefits Requested: New York State</b>	
MRT Benefit	\$681,500
NYS Forgone Income Tax on Bond Interest	\$2,805,091
<b>Total Cost to NYS</b>	<b>\$3,486,591</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$4,859,687</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$58,000,000	100%
<b>Total</b>	<b>\$58,000,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Land and Building Acquisition	\$3,800,000	7%
Construction Hard Costs	\$34,728,652	60%
Construction Soft Costs	\$5,257,366	9%
Furnishings, Fixtures & Equipment	\$2,990,015	5%
Debt Service Reserve Fund & Capitalized Interest and Contingencies	\$6,000,000	10%
Closing Fees	\$5,223,967	9%
<b>Total</b>	<b>\$58,000,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 35 Years)
Corporation Fee	\$315,000	
Bond Counsel	Hourly	
Annual Corporation Fee	\$1,250	\$17,604
Bond Trustee Acceptance Fee	\$500	
Annual Bond Trustee Fee	\$500	\$7,042
Trustee Counsel Fee	\$5,000	
Total	\$322,250	\$24,646
<b>Total Fees</b>	<b>\$346,896</b>	

**Exhibit J**

Resolution Amending Certain Terms of Its Resolution Adopted on February 18, 2020 approving the financing of a certain facility for Friends of New World Prep, Inc. and New World Preparatory Charter School and authorizing the issuance and sale of approximately \$58,000,000 Tax-Exempt and Taxable Revenue Bonds (New World Preparatory Charter School Project), Series 2021 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 institutions, 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 eligible projects 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 February 18, 2020, the Issuer adopted a resolution (the “Bond Resolution”) authorizing (1) Friends of New World Prep, Inc., a New York not-for-profit corporation (the “Applicant”), and its affiliate, New World Preparatory Charter School, a New York not-for-profit education corporation operating as a public charter school (the “School”), to undertake a project consisting of the financing of the costs of (i) the demolition of three existing buildings located at 15 Treadwell Avenue, Staten Island, New York and comprised of the church building consisting of approximately 5,700 square feet, the office building consisting of approximately 8,400 square feet, and the gymnasium/cafeteria building consisting of approximately 8,200 square feet, as well as one existing building located at 2230 Richmond Terrace, Staten Island, New York consisting of approximately 9,600 square feet; (ii) the acquisition, construction, renovation, equipping and furnishing of new and existing buildings located at 26 Sharpe Avenue, Staten Island, New York totaling approximately 47,900 square feet consisting of a new addition and approximately 17,300 square feet of renovations and improvements, all for general classroom and administrative use, together with related site improvements of approximately 42,000 square feet (the “Facility”), the Facility to be owned by the Applicant and leased to the School and operated by the School as a public charter school providing educational services to students in grades K-8; and (iii) the acquisition, demolition and site improvements of the adjoining structures and parcels located at 40 Sharpe Avenue, Staten Island, New York with a residential structure consisting of approximately 1,536 square feet and 25 Treadwell Avenue, Staten Island, New York with a residential structure consisting of approximately 1,232 square feet (collectively, the “Ancillary Facilities”), all to be used for temporary modular units during construction of the Facility for general administrative use and

future educational programming expansion (clauses (i), (ii) and (iii) being collectively, the “Project”), and which Ancillary Facilities may be leased by the Applicant to the School; (2) the issuance and sale of the Issuer’s Tax-Exempt and Taxable Revenue Bonds (New World Preparatory Charter School Project), Series 2020 in the aggregate principal amount of approximately \$42,000,000 (the “Bonds”); and (3) the taking of other action in connection therewith; and

WHEREAS, the Applicant has requested the Issuer to amend the Bond Resolution to increase the principal amount of the Bonds to be issued and to modify the Project and Facility description; and

WHEREAS, the Issuer has determined to accommodate such request of the Applicant;

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

Section 1. The Project and Facility description set forth in the second WHEREAS clause of the Bond Resolution shall be amended and restated to read as follows:

“WHEREAS, Friends of New World Prep, Inc., a New York not-for-profit corporation (the “Applicant”), and its affiliate, New World Preparatory Charter School, a New York not-for-profit education corporation operating as a public charter school (the “School”), entered into negotiations with officials of the Issuer with respect to the financing and refinancing of the costs of (1) the acquisition of parcels of land totaling approximately 1.26 acres located at 26 Sharpe Avenue, Staten Island, New York (also known as 15 Treadwell Avenue, 19 Treadwell Avenue and 2230 Richmond Terrace) and the five buildings and improvements thereon; (2) the demolition of four of such buildings thereon with the following gross square footage (“GSF”): a church building consisting of approximately 5,700 GSF, an office building consisting of approximately 8,400 GSF, a gymnasium/cafeteria building consisting of approximately 8,200 GSF, and an office building consisting of approximately 9,600 GSF; (3) the design, construction, renovation, equipping and furnishing of an approximately 91,300 GSF three-story (plus basement level) building consisting of the existing building at 26 Sharpe Avenue, Staten Island, New York and a new approximately 17,300 GSF addition of renovations and improvements thereto, all for general classroom and administrative use, together with approximately 37,700 GSF of related site improvements (collectively, the “Facility”); which Facility will be leased by Friends to the School to be operated by the School as a public charter school providing educational services to students in kindergarten through grade 8 (collectively, the “Project”); and”

Section 2. The fifth WHEREAS clause of the Bond Resolution shall be amended and restated to read as follows:

“WHEREAS, in order to finance a portion of the cost of the Project, the Issuer intends to issue its Revenue Bonds (New World Preparatory Charter School Project), Series 2021A (the “Tax-Exempt Bonds”) and its Revenue Bonds (New World Preparatory Charter School Project), Series 2021B (Taxable) (the “Taxable Bonds”) in the aggregate

principal amount of approximately \$58,000,000 (or such greater principal amount not to exceed \$63,800,000) (the “Bonds”), 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, as trustee (the “Trustee”); and”

Section 3. The second paragraph of Section 3 of the Bond Resolution shall be amended and restated to read as follows:

“The Bonds shall be issued as fully registered bonds in one or more tax-exempt and taxable series, shall be dated as provided in the Indenture, shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable semi-annually as to interest by check, draft or wire transfer as provided in the Indenture, shall bear interest at annual fixed rates (such final rates to be determined by the Certificate of Determination), shall be subject to optional and mandatory redemption and tender as provided in the Indenture and shall be payable as provided in the Indenture until the payment in full of the principal amount thereof, all as set forth in the Bonds. The Tax-Exempt Bonds shall be issued in the approximate principal amount of \$55,000,000, shall bear interest payable semi-annually at annual rates of interest not to exceed 8%, and shall mature approximately 35 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination). The Taxable Bonds shall be issued in the approximate principal amount of \$3,000,000, shall bear interest payable semi-annually at annual rates of interest not to exceed 10%, and shall mature approximately 8 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination).”

Section 4. The Bond Resolution is hereby ratified and confirmed in all respects, except as amended pursuant to this Resolution.

Section 5. This Resolution shall take effect immediately.

ADOPTED: March 9, 2021



**Exhibit K**

**Project Summary**

Cathedral School of St. John the Divine (the "School") is a New York not-for-profit education corporation operating an independent, co-educational day school for students in kindergarten through grade 8 on Manhattan's Upper West Side. In December 2017, the Corporation issued, on behalf of the School, Series 2017 tax-exempt revenue bonds, the proceeds of which were used to finance or refinance: (1) a portion of the costs of the construction and equipping of an approximately 7,880 square foot three-story addition to an existing approximately 32,000 square foot building located on an approximately 494,174 square foot parcel of land located at 28 Morningside Drive, New York, NY (the "Facility"), which is leased by the School, including the addition of an approximately 2,700 square foot media and innovation center, new dining/meeting/assembly rooms, an admissions suite, an elevator, a mechanical room and exterior access road reconfiguration; (2) a portion of the costs of renovating and equipping approximately 4,000 square feet of existing interior space at the Facility, including addition of a maker-space annex, learning space, new classrooms, offices, seminar/conference rooms, a new faculty work room and access ramps, as well as renovations to the reception area and several restrooms; and (3) certain costs related to the issuance of the Bonds. ConnectOne Bank (the "Bank") is the current bondholder for the 2017 Series bonds with a fixed interest rate of 3.91%.

The School requests post-closing approval for certain amendments to modify the interest rate of the Series 2017 tax-exempt revenue bonds from 3.91% to 2.65% for a term of 20 years, after which the rate will reset pursuant to a calculation based on the Federal Home Loan Bank of New York Advance Rate. The Maturity Date of December 1, 2047 will change to April 1, 2051. No new benefits will be provided in connection with this Post-Closing Amendment request.

Under its existing Loan Agreement, the School is subject to the Corporation's Private School Policy commencing August, 2021.

**Project Location**

28 Morningside Drive, New York, New York 11201

**Action Requested**

Approve amendments to the Series 2017 tax-exempt revenue bonds necessary to modify the interest rate and maturity date

**Prior Board Actions**

Authorizing and Bond Approval resolutions approved December 12, 2017

**Due Diligence**

A review of the School's compliance requirements under its agreement with the Corporation revealed no outstanding issues.

**Anticipated Transaction Date**

April 15, 2021

**Exhibit L**

Resolution authorizing amended and restated Tax-Exempt Revenue Bonds (Cathedral School of St. John the Divine Project), Series 2017, in connection with the 2017 project for Cathedral School of St. John the Divine, amendments to various financing documents, 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 institutions, 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 eligible projects 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 December 29, 2017, the Issuer issued its Tax-Exempt Revenue Bonds (Cathedral School of St. John the Divine Project), Series 2017, in the principal amount of \$11,000,000 (the “2017 Issuer Bonds”) pursuant to a resolution adopted by the Issuer on December 12, 2017 and a Loan Agreement, dated as of December 1, 2017 (the “Loan Agreement”) between the Issuer and Cathedral School of St. John the Divine, a New York not-for-profit educational corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “School”), for the purpose of financing or refinancing: (i) a portion of the costs of the construction and equipping of an approximately 7,880 square foot three-story addition to an existing approximately 32,000 square foot building leased by the School and located on an approximately 494,174 square foot parcel of land located at 28 Morningside Drive, New York, New York (the “Facility”), including the addition of an approximately 2,700 square foot media and innovation center, new dining/meeting/assembly rooms, an admissions suite, an elevator, a mechanical room, and exterior access road reconfiguration; (ii) a portion of the costs of renovating and equipping approximately 4,000 square feet of existing Facility interior space including addition of a maker-space annex, learning space(s), new classrooms, offices, seminar/conference rooms, a new faculty work room and the addition of access ramps at the entrance to the Facility, as well as renovations to the reception area and several restrooms; and (iii) certain costs related to the issuance of the 2017 Issuer Bonds (collectively, the “Project”); and

**WHEREAS**, pursuant to the Loan Agreement, the Issuer loaned the proceeds of the 2017 Issuer Bonds to the School (the “Borrower”), and, to evidence such loan, the Borrower

executed a certain Borrower Promissory Note in favor of the Issuer which the Issuer then endorsed to U.S. Bank National Association, as the trustee for the Bonds (the “Trustee”) (the “2017 Borrower Promissory Note”), and each of the 2017 Issuer Bonds and the 2017 Borrower Promissory Note are secured pursuant to a certain Security Agreement, dated as of December 29, 2017, from the Borrower to the Trustee (the “Security Agreement”); and

**WHEREAS**, in connection with the issuance of the 2017 Issuer Bond, the Borrower and the Issuer (to the Trustee) entered into a Tax Regulatory Agreement, dated December 29, 2017 (the “Tax Regulatory Agreement”); and

**WHEREAS**, the 2017 Issuer Bonds provided for a fixed interest rate of 3.91% with monthly payments of principal over a term ending December 1, 2047; and

**WHEREAS**, the Borrower and the initial purchaser of the 2017 Issuer Bonds, ConnectOneBank, have had discussions concerning a modification of the interest rate of the 2017 Issuer Bonds to an annual interest rate of less than 3.91%, an extension of the maturity date of the 2017 Issuer Bonds, and the modification of certain other terms in connection with the financing and the financing documents, and the Borrower has requested that the Issuer authorize such interest rate and other modifications and amendments to the financing documents; and

**WHEREAS**, the Issuer desires to accommodate such request of the Borrower;

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

Section 1. The Issuer hereby approves the issuance of an Issuer Promissory Note to amend and restate the 2017 Issuer Bonds with respect to, among other matters, a reduced interest rate and an extension of the maturity date (the “Amended and Restated Issuer Bonds”) and amendments and restatements, as applicable, of the Loan Agreement and the Tax Regulatory Agreement, and an assignment by the Issuer to the Trustee of an amendment and restatement of the 2017 Borrower Promissory Note (collectively, the “Amending Documents”), all such amendments and restatements to be finally approved by a certificate of determination of an authorized officer of the Issuer (the “Certificate of Determination”).

Section 2. The execution and delivery of the Amended and Restated Issuer Bonds and the Amending Documents, each being substantially in the form approved by the Issuer for prior financings or pursuant to the Certificate of Determination, 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 the Amended and Restated Issuer Bonds and the Amending Documents. The execution and delivery of the Amended and Restated Issuer Bonds and each such Amending Document by said officer shall be conclusive evidence of due authorization and approval.

Section 3. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Amended and Restated Issuer Bonds and the Amending 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, the Amended and Restated Issuer Bonds and the Amending 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 the Amended and Restated Issuer Bonds or any of the Amending 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 Amended and Restated Issuer Bonds shall be liable personally on the Amended and Restated Issuer Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 4. 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 Amending Documents and the issuance of the Amended and Restated Issuer Bond.

Section 5. Any expenses incurred by the Issuer with respect to the Amended and Restated Issuer Bonds and the Amending Documents shall be paid by the Borrower. By accepting this Resolution, the Borrower 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 Amended and Restated Issuer Bonds and the Amending Documents.

Section 6. The Issuer recognizes that due to the unusual complexities of the transaction approved hereby 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 Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modification shall be evidenced by the Certificate of Determination.

Section 7. This Resolution shall take effect immediately.

[SIGNATURE PAGE TO FOLLOW]

ADOPTED: March 9, 2021

Accepted: March \_\_\_, 2021

CATHEDRAL SCHOOL OF ST. JOHN THE DIVINE

By: \_\_\_\_\_

Name:

Title: