

Build NYC Resource Corporation Finance Committee Discussion

The Finance Committee convened on June 9, 2022, to discuss the following projects:

- GSNY Properties, Inc.
- Oak Point Hub, LLC

Finance Committee Members: Anthony Del Vecchio and Barry Dinerstein

Build NYC Staff Members: Emily Marcus, Noah Schumer, Gregory Coleman, and Christine Robinson

Start: 9:00 AM

End: 9:20 AM

GSNY Properties, Inc.

GSNY Properties, Inc. ("Borrower") is a Delaware not-for-profit corporation, the sole member of which is The Gateway School of New York ("Gateway" or "School"), a New York not-for-profit corporation, both of which are exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") seeking approximately \$18,000,000 in tax-exempt and/or taxable notes (collectively, the "Notes"). Proceeds of the tax-exempt Notes will be used to (i) (a) refund \$14,050,000 outstanding principal amount of the Build NYC Resource Corporation Tax Exempt Revenue Bonds (GSNY Properties, Inc. Project), Series 2012A issued in the original principal amount of \$16,425,000 to refinance prior bonds issued by New York City Industrial Development Agency and (b) refinance a portion of a separate mortgage loan (the "Mortgage Loan"), the proceeds of which NYCIDA bonds and a portion of the Mortgage Loan financed or refinanced the acquisition, renovation and equipping of 11 condominium units comprising 39,000 square feet (the "Project") in a building located at 211 West 61st Street, New York, New York (the "Facility"); and (ii) pay certain costs of issuance of the tax-exempt Notes. Proceeds of the taxable Notes will be used to (i) refund \$420,000 outstanding principal amount of Build NYC Resource Corporation Taxable Revenue Bonds (GSNY Properties, Inc. Project), Series 2012B issued in the original principal amount of \$500,000 to refinance an additional portion of the Mortgage Loan, the proceeds of which portion of the Mortgage Loan financed certain costs incurred in connection with the acquisition of a portion of the Facility and (ii) pay certain costs of issuance of the Notes. The Facility is owned by the Borrower and the Project units are leased by the Borrower to the School, currently operating a private, independent co-educational day school serving students from Kindergarten through Grade 8 with language-based learning disabilities and attention deficits.

The Committee recommended the Project to seek authorization at the June 14th Board meeting.

Oak Point Hub, LLC

The borrower is Oak Point HUB LLC (the "Borrower"), a New York limited liability company, the sole member of which is New York Common Pantry, Inc. ("NYCP"), a New York not-for-profit corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). NYCP operates as a food pantry and provides meal distribution services within New York City. The Borrower is seeking approximately \$8,500,000 in tax-exempt revenue notes to be issued pursuant to section 145 of the Code (the "Notes"). Proceeds from the Notes, together with other funds of the Borrower and NYCP, will be used as part of a plan of financing, to (i) finance the acquisition of an existing 23,000 square foot warehouse, located on a 20,000 square foot parcel of land located at 1285 Oak Point Avenue, Bronx, New York (the "Facility"), and the renovation and equipping of such Facility; and (ii) pay for certain costs related to the issuance of the Notes. The Facility will be owned by the Borrower and leased to and operated by NYCP, as a warehouse and office space to support its mobile food pantry operations, senior nutrition program operations and to receive, store, and distribute goods to food pantries located in East Harlem and the Bronx.

Mr. Del Vecchio asked Mr. Schumer if the organization creates meals or only distributes fresh produce.

Mr. Schumer replied that it is a mix of both—the organization both provides meals and distributes produce. Mr. Schumer added that most of the food distributed by the organization is either donated or purchased with contributions received from individuals. Additionally, the organization provides case management services for those eligible for food benefits as determined by Federal, State, or local programs, and it provides nutritional education around East Harlem and the Bronx.

Mr. Dinerstein asked if the meals are handed out at the organization’s facilities.

Mr. Schumer replied that the organization does a mix of both. The warehouse is primarily used to collect and pack the food, which is loaded onto one of 50 mobile food operation vans strategically located throughout the city. There are also other locations that people can go to directly to receive meals.

The Committee recommended the Project to seek authorization at the June 14th Board meeting.

Emily Marcus

Emily Marcus
Executive Director, Build NYC