

BUILD NYC RESOURCE CORPORATION

NOTICE OF PUBLIC HEARING

The Build NYC Resource Corporation (the “Corporation”) is a not-for-profit local development corporation organized under Sections 402 and 1411 of the Not-for-Profit Corporation Law of the State of New York. In accordance with the aforesaid law, and pursuant to its certificate of incorporation, the Corporation has the power to issue non-recourse revenue bonds or notes and to make the proceeds of those bonds or notes available for projects that promote community and economic development in The City of New York (the “City”), and to thereby create jobs in the non-profit and for-profit sectors of the City’s economy. The Corporation has been requested to issue such bonds and notes for the financings listed below in the approximate dollar amounts respectively indicated. As used herein, “bonds” or “notes” are the bonds or notes of the Corporation, the interest on which may be exempt from local and/or state and/or federal income taxes; and, with reference to the bond or note amounts provided herein below, “approximately” shall be deemed to mean up to such stated bond or note amount or a greater principal amount not to exceed 10% of such stated bond or note amount. All other amounts and square footage amounts and wage information shown below are approximate numbers.

Borrower Name: East Harlem Center, LLC (“EHC”) and East Harlem Scholars HS LLC (“EHS”), each a Delaware limited liability company (EHS together with EHC or any affiliate of EHS or EHC, collectively, “Borrowers”). Each Borrower is a direct or indirect subsidiary of East Harlem Tutorial Program, Inc. (“EHTP”), a New York 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”), and each Borrower is a disregarded entity of EHTP for federal income tax purposes exempt from federal income taxation pursuant to section 501(c)(3) of the Code. EHTP is under common control with East Harlem Scholars Academy Charter School (the “Charter School”), a New York not-for-profit education corporation exempt from federal income taxation pursuant to section 501(c)(3) of the Code. **Financing Amount:** \$85,000,000 in tax-exempt qualified 501(c)(3) bonds issued pursuant to section 145 of the Code and/or taxable bonds (collectively, the “Bonds”). **Project Description:** As part of a plan of financing, proceeds from the Bonds will be used to: (i) refinance a taxable loan, the proceeds of which were used to fund a portion of the cost of acquiring and constructing a 70,000 square foot building located on a 17,655 square foot parcel of land at 2017 1st Avenue, New York, NY 10029 (“Building One”); (ii) finance additional construction, renovation, equipping and furnishing costs with respect to the completion of Building One; (iii) refinance a taxable loan, the proceeds of which were used to refinance prior indebtedness, the proceeds of which were used to fund the construction and furnishing of a 51,286 square foot building located on a 10,092 square foot parcel of land at 2050 2nd Avenue, New York, NY 10029 (“Building Two”); (iv) fund debt service reserve fund(s), (v) fund capitalized interest; and (vi) pay for certain costs related to the issuance of the Bonds. Bonds in the aggregate principal amount of \$69,250,000 will be issued with respect to Building One. Bonds in the aggregate principal amount of \$15,750,000 will be issued with respect to Building Two. Building One is owned by EHS and Building Two is owned by EHC. Both Building

One and Building Two are being leased to the Charter School, for use of (i) Building One as a public charter high school serving students in Grades 9 through 12 and (ii) Building Two as a public charter elementary and middle school serving students in pre-kindergarten through Grade 8. EHTP is using Building Two, and will use Building One after completion, for after-school tutoring, college preparation, summer programs and similar programs for public school students. **Addresses:** 2017 1st Avenue, New York, New York 10029 and 2050 2nd Avenue, New York, New York 10029. **Type of Benefits:** Tax-exempt and/or taxable bond financing and exemption from City and State mortgage recording taxes. **Total Project Cost:** \$85,000,000. **Projected Jobs:** 137.5 full time equivalent jobs retained and 24 projected. **Hourly Wage Average and Range:** \$46.92/hour, estimated range of \$33.85/hour to 76/hour.

For any updates to project information after the date of this notice, please visit the website of New York City Economic Development Corporation (“NYCEDC”) at www.nycedc.com/buildnyc-project-info.

The Corporation is committed to ensuring meaningful access to its programs. If you require any accommodation for language access, including sign language, please contact NYCEDC’s Equal Access Officer at 212-312-3602 or at EqualAccess@edc.nyc.

Pursuant to Internal Revenue Code 147(f), the Corporation will hold a hearing at the offices of NYCEDC, 1 Liberty Plaza, 14th Floor, New York, New York 10006 on the proposed financings and transactions set forth above, commencing at 10:00 A.M. on **Thursday, September 15TH, 2022**. Interested members of the public are invited to attend.

Interested members of the public are invited to attend and will be given an opportunity to make a brief statement regarding the projects listed above. Please be advised that attendees should be prepared to wear a face covering and maintain social distance, if they are not willing to provide proof of vaccination status upon entry.

The Corporation will present information at such hearing on the proposed financings and transactions set forth above. For those members of the public desiring to review project applications and cost benefit analyses before the date of the hearing, copies of these materials will be made available at <https://edc.nyc/build-nyc-board-meetings-and-public-hearings>, starting at 12:00 P.M. fourteen (14) days prior to the hearing. Persons desiring to make a brief statement during the conference call regarding the proposed transactions should give prior notice to the Corporation by sending an email to ftufano@edc.nyc no later than 5:00P.M. the day before the hearing. Written comments may be submitted to the Corporation to the following email address: ftufano@edc.nyc. Please be advised that it is possible that certain of the aforementioned proposed transactions may be removed from the hearing agenda prior to the hearing date. Information regarding such removals will be available on the Corporation’s website at <https://edc.nyc/build-nyc-board-meetings-and-public-hearings> on or about 12:00 P.M. on the Friday preceding the hearing.

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