

MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
BUILD NYC RESOURCE CORPORATION
HELD IN-PERSON AT THE ONE LIBERTY PLAZA OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
MARCH 7, 2023

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

Andrew Kimball (chairperson)
Anand Amin, alternate for Maria Torres-Springer,
Deputy Mayor for Housing and Economic Development
Francesco Brindisi, alternate for Brad Lander
Comptroller of The City of New York
Andrea Feirstein
Janet Mejia-Peguero
James Prendamano
Douglas Rose, alternate for Dan Garodnick,
Chair of the City Planning Commission of The City of New York
Shanel Thomas
Betty Woo, alternate for Hon. Sylvia Hinds-Radix,
Corporation Counsel of The City of New York

The following directors and alternates were not present:

HeeWon Brindle-Khym
Khary Cuffe
Albert De Leon
Anthony Del Vecchio
Jacques-Philippe Piverger

Andrew Kimball, President of New York City Economic Development Corporation (“NYCEDC”) and Chairperson of the Build NYC Resource Corporation (“Build NYC” or the “Corporation”), convened the meeting of the Board of Directors of Build NYC at 9:20 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the (adjourned) January 24, 2023 and (rescheduled) February 14, 2023 Board Meeting

Mr. Kimball asked if there were any comments or questions relating to the minutes of the adjourned January 24, 2023 Board of Directors meeting as well as the minutes of the continuation of that meeting which took place on February 14, 2023. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for January 31, 2023 (Unaudited)

Carol Ann Butler, an Assistant Vice President for NYCEDC, presented the Corporation's Financial Statements for the six-month period ending January 31, 2023 (Unaudited). Ms. Butler reported that for the six-month period the Agency recognized revenues from project finance fees from six transactions totaling \$2.2 million. Ms. Butler reported that for the six-month period the Corporation recognized revenues derived from compliance, application, post-closing and other fees in the amount of \$174,000. Ms. Butler also reported that \$1.3 million in operating expenses, largely consisting of the monthly management fee, were recorded for the Corporation for the six-month period that ended on January 31, 2023 (Unaudited).

3. 584 Driggs FONB, LLC

Weston Rich, an Associate for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for approximately \$27,000,000 in tax-exempt and taxable revenue bonds for the benefit of 584 Driggs FONB, LLC and recommended the Board adopt a negative declaration for this project as a SEQRA determination because the project would not have an adverse effect on the environment. Mr. Rich described the project and its benefits, as reflected in Exhibit A.

On behalf of the Finance Committee, Douglas Rose stated that overall, they were comfortable with the project because of the school's acceptable debt service coverage ratio and that the organization is an established charter school. Mr. Rose stated that the school already operate out of the building so the project's structure of switching from a leasing model to an ownership model provide more stability and lower costs in the long run.

There being no further comments or questions, a motion to approve the bond approval and authorizing resolution and SEQRA determination attached hereto as Exhibit B for the benefit of 584 Driggs FONB, LLC was made, seconded and unanimously approved.

4. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:35 a.m.

Arthur Hassan
Assistant Secretary

Dated: April 25, 2023
New York, New York

Exhibit A

PROJECT SUMMARY

584 Driggs FONB, LLC is a Delaware limited liability company and a disregarded entity for federal income tax purposes (the “Borrower”) whose sole member is Friends of Northwest Brooklyn, Inc. (“FONB”), 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”). FONB is an organization that seeks to improve public education and educational opportunities by providing financial support to aid with the development, formation, operation and administration of charter schools in New York City, including Unity Preparatory Charter School of Brooklyn (the “School”), a public charter school for students from grades six through twelve. The Borrower is seeking approximately \$27,000,000 in tax-exempt and taxable bonds (the “Bonds”). The tax-exempt bonds will be issued as part of a plan of finance of qualified 501(c)(3) bonds for educational facilities under Section 145 of the Code. Proceeds of the Bonds will be used to finance or reimburse the costs of: (i) the acquisition of an approximately 20,400 square foot three floor facility located on an approximately 6,390 square foot parcel of land located at 584 Driggs Avenue, Brooklyn, New York (the “Facility”); (ii) renovations at the Facility; and (iii) funding debt service reserve funds, capitalized interest and certain costs related to the issuance of the Bonds (collectively, the “Project”). The Facility will be owned by the Borrower and leased to the School pursuant to a lease (the “School Lease”), and the School will continue to operate the Facility as a public charter school serving students in grades nine through twelve.

Project Location

584 Driggs Avenue
 Brooklyn, New York 11211

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

May 2023

Impact Summary

Employment	
Jobs at Application:	59
Jobs to be Created at Project Location (Year 3):	0
Total Jobs (full-time equivalents)	59
Projected Average Hourly Wage (excluding principals)	\$45.50
Highest Wage/Lowest Wage	\$73.00/\$21.63

Estimated City Tax Revenues	
Impact of Operations (NPV 41 years at 6.25%)	\$11,110,850
Total Impact of Operations and Renovation	\$11,110,850

584 Driggs FONB, LLC

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$438,750
NYC Forgone Income Tax on Bond Interest	\$340,088
Corporation Financing Fee	(\$160,000)
Total Cost to NYC Net of Financing Fee	\$618,838

Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Job in Year 3	\$10,489
Estimated City Tax Revenue per Job in Year 3	\$188,319

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$317,250
NYS Forgone Income Tax on Bond Interest	\$1,279,482
Total Cost to NYS	\$1,596,732
Overall Total Cost to NYC and NYS	\$2,217,470

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$27,000,000	100%
Total	\$27,000,000	100%

Uses	Total Amount	Percent of Total Costs
Land and Building Acquisition	\$20,000,000	74%
Renovation Hard Costs	\$2,000,000	7%
Debt Service Reserve Fund	\$1,700,000	6%
Closing Fees	\$2,800,000	10%
Other	\$500,000	2%
Total	\$27,000,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 41 Years)
Corporation Fee	\$160,000	
Bond Counsel	\$135,000	
Annual Corporation Fee	\$1,250	\$18,335
Bond Trustee Acceptance Fee	\$1,500	
Annual Bond Trustee Fee	\$1,500	\$22,001
Trustee Counsel Fee	\$8,000	
Total	\$307,250	\$40,336
Total Fees	\$347,586	

Financing and Benefits Summary

Robert W. Baird & Co. Incorporated will serve as underwriter for the Bonds, which will be sold through a public offering. The Bonds will be issued in two series: a tax-exempt series of approximately \$26,620,000 and a taxable series of approximately \$380,000. The tax-exempt series is expected to have a final maturity of approximately 41 years from closing, and the taxable series is expected to have a final maturity of approximately 4 years from closing. Interest payments are expected to be payable semi-annually on each June 15 and December 15, commencing December 15, 2023. The estimated interest rates on the Bonds are anticipated to be 5.55% for the tax-exempt series and 7.00% for the taxable series. The Bonds will be secured by: (i) collateral assignments of leases and rents under the Facility and mortgage liens on and security interests in the Facility granted by the Borrower; (ii) the lease rentals payable by the School to the Borrower under the School Lease pursuant to a deposit account control agreement; and (iii) a pledge of and security interest in certain revenues of the Borrower. Based on an analysis of the School's financial statements, there is an expected debt service coverage ratio of 2.13x.

Applicant Summary

The Borrower is a wholly-owned, disregarded subsidiary of FONB, which is a not-for-profit 501(c)(3) corporation that was founded in 2011 and seeks to improve the quality of public education and educational opportunities by providing financial support to aid with the development, formation, operation, and admission of charter schools in New York City, including the School. The School is a Regents-authorized charter school which provides unique educational opportunities for over 500 students in grades six through twelve through a curriculum grounded in liberal arts and a college readiness pathway. The School has two locations; a middle school site in Bedford Stuyvesant, Brooklyn and a high school site (being the Facility) in Williamsburg, Brooklyn. The School's mission is to empower students as scholars and citizens so that they may lead fulfilling academic, personal, and professional lives. Students gain admission to the School through a public lottery, with preference given to those residing in NYC School District 13. In 2018, the School was awarded a full five-year charter renewal by the Board of Regents and is currently in the process of renewing its charter.

Josh Beauregard, President, FONB and Head of School

Mr. Beauregard serves as the Head of School and Co-founder of the School. He also serves as President of FONB. Mr. Beauregard attended Vassar College, where he obtained a B.A. degree in Economics, City College of New York, where he obtained a M.A. degree in Secondary Mathematics Education, and the Harvard Graduate School of Education, where he obtained an M.A. and Ed.D. degree in Education.

Jake Elghanayan, Treasurer, FONB

Mr. Elghanayan is a principal of TF Cornerstone, a New York City-based real estate development firm. Previously, he practiced law as an associate at Sullivan & Cromwell LLP. He also serves as a trustee of South Bronx Classical Charter School, Daniel's Music Foundation, and the Citizens Budget Commission. Mr. Elghanayan attended Brown University, where he obtained a B.A. degree, and Johns Hopkins University and New York University, where he obtained a joint M.A.-J.D. degree.

James Ellsworth, Chairperson of the Board of Trustees

Mr. Ellsworth is an entrepreneur and investor focused primarily on technology and life sciences. His most recent venture, Braintrace, is a cybersecurity company which was recently sold to Sophos. Prior to Braintrace, Mr. Ellsworth managed AIG Global Real Estate's real estate funds business. Prior to AIG, he was a portfolio manager for Trust Company of the West where he managed emerging markets real estate and special situation funds. Mr. Ellsworth also worked in the New York office of Merrill Lynch's Mergers and Acquisitions Group and was a Senior Consultant at PricewaterhouseCoopers where he specialized in mergers and acquisitions and cross-border transactions. He currently serves on the boards of Okera and Redely. Mr. Ellsworth attended Brigham Young University, where he obtained a B.A. and M.A. degree, and Harvard University, where he obtained an M.B.A. degree.

584 Driggs FONB, LLC

Employee Benefits

Employees of the School are eligible to receive large group health insurance, 403b retirement saving options, Health Reimbursement Arrangement (HRA), dental, vision, life insurance, and short- and long-term disability.

Recapture

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

SEQRA Determination

Type II Action which, if implemented, will not result in significant adverse environmental impacts. The completed Environmental Assessment Form for the Project has been reviewed and signed by Corporation staff.

Due Diligence

The Corporation conducted a background investigation of the Borrower, FONB, the School and their respective principals and found no derogatory information.

Compliance Check:	Not applicable
Living Wage:	Exempt
Paid Sick Leave:	Compliant
Private School Policy:	Not applicable
Affordable Care Act:	Compliant
Bank Account:	Morgan Stanley Wealth Management
Bank Check:	Relationships are reported to be satisfactory
Supplier Checks:	Not applicable
Customer Checks:	Not applicable
Unions:	Not applicable
Background Check:	No derogatory information was found
Attorney:	Cliff Schneider, Esq. Cohen Schneider Law, P.C. 275 Madison Avenue, Suite 1905 New York, NY 10016
Accountant:	Mengel Metzger Barr & Co. LLP 100 Chestnut Street, Suite 1200 Rochester, NY 14604
Underwriter:	Brian Colon Robert W. Baird & Co. Incorporated 210 University Boulevard, Suite 800 Denver, CO 80206

584 Driggs FONB, LLC

Community Board:

Brooklyn, CB 1

Unity Preparatory Charter School of Brooklyn Board of Trustees

James Ellsworth, Chairperson

Marion Leydier, Treasurer

Trudy Sandy, Secretary

Sal Siddiqui

Jeannette Badner

Dr. Madonna Afriyie

Lenny Singletery III

January 10, 2023



Ms. Emily Marcus Falda
Executive Director
Build NYC Resource Corporation
One Liberty Plaza
New York, NY 10006
Emarcus@edc.nyc

Re: Application for new money through the Build NYC Resource Corp. / Not-For-Profit Bond Program on behalf of 584 Driggs FONB, LLC, a wholly-owned subsidiary of Friends of Northwest Brooklyn, Inc.

Dear Ms. Falda:

Founded in 2011, Friends of Northwest Brooklyn, Inc. (“FONB”) is a 501(c)(3) not-for-profit organization that works to improve the quality of public education and educational opportunities by providing financial support to aid with the development, formation, operation and administration of charter schools in New York City, including Unity Preparatory Charter School of Brooklyn (“Unity”), a tuition-free public charter school for over 500 students in grades 6-12 in Brooklyn, New York.

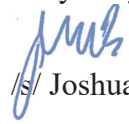
At its heart, FONB is a New York institution, with its affiliated middle school located in the Bedford-Stuyvesant neighborhood of Brooklyn and its affiliated high school located in Williamsburg. FONB and Unity are committed to providing educational services to a diverse community of young Brooklynites via rigorous academic courses accompanied by extracurricular and civic engagement programs. Unity services a unique student population – 23% are classified as students with disabilities and 73% are classified as economically disadvantaged, higher than the neighboring NYC Community School District 13 and New York State average. By providing the next generation of New Yorkers with the opportunity for a well-rounded and enriching education, FONB plays a role in perpetuating the vibrant and engaged community that helps make New York City such a special place to live and work.

In the application plan of finance, FONB proposes the issuance of Series 2023 tax exempt bonds in the estimated amount of \$27,000,000 to finance the acquisition of Unity’s high school building, located at 584 Driggs Avenue, Brooklyn, New York (“584 Driggs”), and to pay costs and expenses in connection with such acquisition and the financing. But for the lower tax exempt interest rate and other ancillary benefits offered by a Build NYC financing, FONB would not be in a position to affordably finance the acquisition of 584 Driggs, which will serve as a valuable long-term investment for the school. Equally important, the savings will allow FONB to grow its support for Unity Prep’s programs and academic offerings.

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

[Signature page follows]

Very truly yours,

A handwritten signature in blue ink, appearing to read 'J. Beauregard', written over a horizontal line.

/s/ Joshua Beauregard

President

Exhibit B

Resolution approving the financing of a certain facility for 584 Driggs FONB, LLC, Friends of Northwest Brooklyn, Inc. and Unity Preparatory Charter School of Brooklyn and authorizing the issuance and sale of approximately \$27,000,000 Revenue Bonds (Unity Preparatory Charter School of Brooklyn Project), Series 2023A and Series 2023B (Taxable) 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, 584 Driggs FONB, LLC, a Delaware limited liability company (the “Borrower”), the sole member of which is Friends of Northwest Brooklyn, Inc. (“FONB”), a New York not-for-profit corporation, and Unity Preparatory Charter School of Brooklyn, a New York not-for-profit corporation operating a public charter school for students from grades 6 through 12 (the “School”), entered into negotiations with officials of the Issuer with respect to the financing and/or reimbursing of the costs of: (i) the acquisition of an approximately 20,400 square foot three floor facility on an approximately 6,390 square foot parcel of land located at 584 Driggs Avenue, Brooklyn, New York (the “Facility”), (ii) renovations at the Facility, and (iii) funding debt service reserves, capitalized interest and certain costs related to the issuance of the Bonds referred to below; the Facility will be owned by the Borrower and leased to the School pursuant to a certain lease agreement (the “School Lease”) for continued operation by the School as a public charter school serving students in grades 9 through 12 (collectively, the “Project”); and

WHEREAS, the Borrower 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 Borrower, FONB, the School and the Project, including the following: that FONB is 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”), and the sole member of the Borrower; that FONB was formed in 2011 to improve the quality of public education and educational opportunities by providing financial support to aid with the development, formation, operation and administration of charter schools in New York City, including the School; that the School is a New

York not-for-profit corporation operating a public charter school that currently serves over 500 students in grades 6 through 12 through a curriculum grounded in the liberal arts and a college readiness pathway; that the School has a middle school in Bedford-Stuyvesant Brooklyn and a high school (being the Facility) in Williamsburg, Brooklyn; that the School currently leases the Facility; that the School's charter was last renewed in 2018 for a five-year term by the New York Board of Regents, and the School is in the process of seeking a further renewal of its charter; that the School currently employs 59 full-time equivalent employees; that in the absence of financial assistance from the Issuer, FONB and the School would be unable to affordably finance the Project, which will serve as a valuable long-term investment for the Borrower and the School; that the savings to be derived from the Issuer's financing assistance will allow FONB to grow its support for the School's programs and academic offerings; and that, therefore, the Issuer's financing assistance is necessary to assist the Borrower, FONB and the School in proceeding 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 (Unity Preparatory Charter School of Brooklyn Project), Series 2023A (the "Tax-Exempt Bonds") and Series 2023B (Taxable) (the "Taxable Bonds") in the aggregate principal amount of approximately \$27,000,000 (or such greater aggregate principal amount not to exceed \$29,700,000) (collectively, 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 The Bank of New York Mellon, as trustee (the "Trustee"); and

WHEREAS, the Issuer intends to loan the proceeds of the Bonds to the Borrower pursuant to a Loan Agreement (the "Loan Agreement") to be entered into between the Issuer and each of the Borrower and FONB, and the Borrower will execute one or more promissory notes in favor of the Issuer (and endorsed by the Issuer to the Trustee) (collectively, the "Promissory Notes") to evidence the obligation under the Loan Agreement to repay such loan; and

WHEREAS, concurrently with the issuance of the Bonds, the School will enter into a Use Agreement with each of the Issuer and the Trustee (the "Use Agreement"); and

WHEREAS, the Bonds are to be secured by: (i) one or more collateral assignments of leases and rents under the Facility (collectively, the "Assignment of Leases and Rents"), and one or more mortgage liens on and security interests in the Facility granted by the Borrower, as mortgagor, to the Issuer and the Trustee, as mortgagees, 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"); (ii) the lease rentals payable by the School to the Borrower under the School Lease pursuant to a Deposit Account Control Agreement among the Borrower, the Trustee and The Bank of New York Mellon (or such other bank selected by the Borrower), as depository (the "Account Control Agreement"); and (iii) a pledge of and security interest in certain revenues of the Borrower in favor of the Trustee pursuant to a Pledge and Security Agreement from the Borrower (the "Pledge Agreement"); and

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

Section 1. The Issuer hereby determines that the financing 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 Borrower, FONB and the School 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 Notes.

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

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 and allocable principal amounts of the Tax-Exempt Bonds and the Taxable Bonds 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 aggregate principal amount of \$26,620,000 (or such greater aggregate principal amount not to exceed \$29,282,000), shall bear interest payable semi-annually at annual rates of interest not to exceed 8%, and shall mature over a term of approximately forty-one (41) 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 \$380,000 (or such greater principal amount not to exceed \$418,000), shall bear interest payable semi-annually at annual rates of interest not to exceed 10%, and shall mature over a term of approximately five (5) 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 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 of the loan payments, revenues and receipts payable under the Loan Agreement and the Promissory Notes to the extent set forth in the Loan Agreement and the Indenture. 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, the Bond Funds, the Debt Service Reserve Funds, the Repair and Replacement Reserve Funds, the Project Funds, the Renewal 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

(the “State”) or of the City, and neither the State nor the City shall be liable thereon, nor shall the 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 Bonds will be secured pursuant to the Mortgage, the Assignment of Leases and Rents, the Account Control Agreement and the Pledge and Security Agreement.

Section 5. The Bonds are authorized to be sold to Robert W. Baird & Co. 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 Indenture, the Loan Agreement, the endorsement of the Promissory Notes to the Trustee, the Use Agreement, 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 Borrower, FONB, the School, the Issuer and the Investment Bank, the Assignment of Mortgage (and an assignment of the Assignment of Leases and Rents, to the extent the Issuer is a party thereunder), a Building Loan Agreement among the Issuer, the Borrower and the Trustee, a Letter of Representation and Indemnity Agreement from the Borrower, FONB and the School to the Issuer, the Trustee and the Investment Bank, and a Tax Regulatory Agreement from the Issuer, the Borrower, FONB and the School 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 Document. The execution and delivery of each such Issuer Document 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 Borrower, FONB and the School 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 Borrower, FONB and the School are authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Borrower, FONB and the School that (i) 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 Borrower, FONB or the School for such purpose or for any other purpose; and (ii) the issuance of the Bonds is subject to the receipt by the Issuer of written confirmation satisfactory to the Issuer that the New York State Board of Regents has renewed the School's charter.

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 due to inability to consummate the transactions herein contemplated, shall be paid by the Borrower, FONB and the School. By accepting this Resolution, the Borrower, FONB and the School 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 the Project and the financing thereof.

Section 12. In connection with the Project, the Issuer intends to grant the Borrower and the School financing assistance in the form of the issuance of the Bonds and exemptions from City and State mortgage recording taxes.

Section 13. Any qualified costs incurred by the Borrower, FONB or the School in initiating the Project shall be reimbursed by the Issuer from the proceeds of the 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 this determination 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. This determination is based upon the Issuer's review of information provided by the Borrower, FONB

and the School and such other information as the Issuer has deemed necessary and appropriate to make this determination.

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

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

2. The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.

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

4. The proposed Project would not result in a change in existing zoning or land use. The Project building would be as-of-right under existing zoning.

5. A Phase I Environmental Site Assessment (“ESA”) was conducted on the Project property in July 2017, and no Recognized Environmental Conditions, Controlled Recognized Environmental Conditions, Historical Recognized Environmental Conditions or de minimis environmental conditions were identified. The ESA report recommended a tank tightness test on the heating oil tank located in the basement of the Project building and an Operations and Maintenance Plan to assure appropriate management of suspected asbestos-containing materials and lead-based paint. No ground disturbance is anticipated. The development of the Project should not result in any significant 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 15. This Resolution is subject to the approval of a private investigative report with respect to the Borrower, FONB and the School, 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 Bonds for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Borrower, FONB and the School shall be continuing to take affirmative steps to secure financing for the Project.

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 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 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 Chairperson, Vice Chairperson, 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 7, 2023

584 DRIGGS FONB, LLC

By: _____
Name:
Title:

FRIENDS OF NORTHWEST BROOKLYN, INC.

By: Friends of Northwest Brooklyn, Inc.,
its sole member

By: _____
Name:
Title:

UNITY PREPARATORY CHARTER SCHOOL
OF BROOKLYN

By: _____
Name:
Title:

Accepted: _____, 2023