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
SEPTEMBER 24, 2024

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

Andrew Kimball (Chairperson)
Ellen Baer
Francesco Brindisi, alternate for Brad Lander,
    Comptroller of The City of New York
Aaron Charlop-Powers, alternate for Maria Torres-Springer,
    Deputy Mayor for Housing,Economic Development and Workforce
Felix A. Ciampa
Richard W. Eaddy
Adam Friedman
Venetia Lannon
Randolph Peers
Carolyn Grossman Meagher, 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 were not present:

HeeWon Brindle-Khym
Janet Mejia-Peguero
James Prendamano

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 10:57 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the July 23, 2024 Board Meeting

Mr. Kimball asked if there were any comments or questions relating to the minutes of the July 23, 2024 Board of Directors meeting. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for July 31, 2024 (Unaudited)

Wilson Gao, a Senior Accountant for NYCEDC, presented the Corporation's Financial Statements for the one-month period ending July 31, 2024 (Unaudited). Mr. Gao reported that for the one-month period the Corporation recognized revenues from application and compliance fees totaling $34,000. Mr. Gao reported that $183,000 in operating expenses, solely consisting of the monthly management fee, were recorded for the Corporation for the one-month period that ended on July 31, 2024 (Unaudited).

3. Audited Financial Statements (FY June 2024) and Annual Investment Report

Amy Chan, Controller for NYCEDC and Assistant Treasurer for the Corporation, and Leslie Escobar, Deputy Controller for NYCEDC, presented for review and approval the Corporation's Audited Financial Statements and Annual Investments Report for the Fiscal Year ended June 30, 2024.

Mr. Ciampa stated that the Audit Committee met with Corporation staff and Ernst & Young ("E&Y") staff yesterday and discussed the Audited Financial Statements and the Annual Investment Report. Mr. Ciampa stated that during that meeting E&Y staff presented their audit results and that the Corporation will receive a clean opinion on its 2024 financial report and schedule of investments. Mr. Ciampa stated that there were no audit adjustments or deficiencies in internal control identified during the audit. As a result, on behalf of the Audit Committee Mr. Ciampa recommended the Board approve the Audited Financial Statements and schedule of investments as presented in the board book.

There being no comments or questions, a motion to approve the Corporation's Audited Financial Statements and Annual Investment Report for the Fiscal Year ended June 30, 2024 attached hereto as Exhibit A and Exhibit B, respectively, as submitted, was made, seconded and unanimously approved.

4. Acknowledgment of Performance Measurement Report

Emily Marcus Falda, Executive Director of the Corporation, presented the Corporation's Performance Measurements Report.

There being no comments or questions, a motion to approve the Performance

Measurements Report attached hereto as Exhibit C, as submitted, was made, seconded and unanimously approved.

5. Results of Board Performance Self-Evaluation Survey

Ms. Marcus Falda presented the results of the Board's annual Self-Evaluation Survey (the "Survey").

Ms. Woo thanked Ms. Marcus Falda and Corporation staff for their responsiveness to her questions and for their work on the Survey.

6. Amendment to Audit Committee Charter

Eric Katz, a Senior Vice President for NYCEDC, presented an amendment to the Corporation's Audit Committee charter. Mr. Katz described the amendment and its benefits to the Corporation.

On behalf of the Audit Committee, Mr. Ciampa recommended that the Board approve the amendment to the Audit Committee charter.

There being no comments or questions, a motion to approve the amendment to the Corporation's Audit Committee charter attached hereto as Exhibit D, was made, seconded and unanimously approved.

7. The Young Men's and Young Women's Hebrew Association

Sophie King, a Senior Associate for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for approximately $60,000,000 in tax-exempt bonds for the benefit of The Young Men's and Young Women's Hebrew Association and recommended the Board adopt a negative SEQRA declaration that the project is a Type 2 action and will not have a significant adverse effect on the environment. Ms. King described the project and its benefits, as reflected in Exhibit E.

In response to a question from Ms. Baer, Ms. King stated that the 6.5 times DSCR assumes they only pay down the interest payment and have the flexibility every year to pay as much of the principal as they want to depending on whether there are project costs that need to be paid immediately, how much they have left in reserve. Ms. King stated that the actual coverage ratio will be lower when they are they're paying off principal because they're directing more of their money to cover the debt but they are expecting to collect 80% of the pledges in the next six years and the 92nd Street Y has a very strong history of collectability over the past five years there hasn't been any collectability issues. Ms. King stated that the applicant has written off less than 1% of contributions and that was for reasons such as a stock gift that didn't reach its expected. Ms. King stated that the applicant is very confident about collectability and there are sufficient revenues and endowments to cover any shortfall if in that unlikely case that was to occur.

On behalf of the Finance Committee, Ms. Baer recommended the project for Board approval.

There being no further comments or questions, a motion to approve the bond approval and authorizing resolution and SEQRA declaration, attached hereto as Exhibit F, for the benefit of The Young Men's and Young Women's Hebrew Association, was made, seconded and unanimously approved.

8. Bay Ridge Preparatory School

Leyla Arcasoy, an Associate for NYCEDC, presented for review and adoption an amended bond approval and authorizing resolution for approximately $29,850,000 in tax-exempt bonds for the benefit of Bay Ridge Preparatory School and recommended the Board adopt a negative SEQRA declaration for the Facility 1 and Facility 2 aspects of the Project, pursuant to the findings of the New York City Board of Standards and Appeals, attached to the Resolution as Exhibit A and a Type 2 determination for Facility 3, due to refinancing of outstanding debt. Ms. Arcasoy described the project and its benefits, as reflected in Exhibit G.

On behalf of the Finance Committee, Ms. Baer recommended the project for Board approval.

There being no comments or questions, a motion to approve the amended bond approval and authorizing resolution and SEQRA declarations, attached hereto as Exhibit H, for the benefit of Bay Ridge Preparatory School, was made, seconded and unanimously approved.

9. 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 11:15 a.m.

Arthur Hauser
Assistant Secretary

Dated: 11/19/24
New York, New York

Exhibit A

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION

Build NYC Resource Corporation
(A Component Unit of The City of New York)
Years Ended June 30, 2024 and 2023
With Reports of Independent Auditors

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Build NYC Resource Corporation
(A Component Unit of The City of New York)

Financial Statements and Required Supplementary Information

Years Ended June 30, 2024 and 2023

Contents

I. Financial Section

Report of Independent Auditors

The Management and the Board of Directors
Build NYC Resource Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Build NYC Resource Corporation (the Corporation), a component unit of The City of New York, which comprise the statements of net position as of June 30, 2024 and 2023, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2024 and 2023, and the respective changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated ________, 2024 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

________, 2024

Management's Discussion and Analysis

June 30, 2024 and 2023

This section of the Build NYC Resource Corporation's (Build NYC or the Corporation) annual financial report presents our discussion and analysis of financial performance during the years ended June 30, 2024 and 2023. Please read it in conjunction with the financial statements and accompanying notes which follow this section.

Fiscal Year 2024 Financial Highlights

- Current assets decreased by $577,919 (or 7%)
- Non-current assets increased by $77,432 (or 5%)
- Current liabilities decreased by $128,160 (or 30%)
- Net position decreased by $372,327 (or 4%)
- Operating revenues decreased by $1,568,828 (or 52%)
- Non-operating revenues, net increased by $204,943 (or 81%)

Overview of the Financial Statements

This annual financial report consists of two parts: *Management's Discussion and Analysis* (this section) and the *Basic Financial Statements,* which include footnote disclosures. Build NYC is considered a component unit of The City of New York (The City) for The City's financial reporting purposes. Build NYC is a local development corporation that was organized under the Not-For-Profit Corporation Law of The State of New York to assist entities eligible under the federal tax laws in obtaining tax-exempt and taxable bond financing.

Build NYC is a self-supporting entity and follows enterprise fund reporting. Enterprise fund statements offer short-term and long-term financial information about the Corporation's activities. The Corporation's financial reporting is presented in a manner similar to a private business.

Financial Analysis of the Corporation

Net Position – The following table summarizes the Corporation's financial position at June 30, 2024, 2023, and 2022 and the percentage change between June 30, 2024, 2023, and 2022:

				% Change	
	2024	**2023**	**2022**	**2024–2023**	**2023–2022**
Current assets	**$ 7,292,869**	$ 7,870,788	$ 7,163,284	**(7)%**	10%
Non-current assets	**1,723,508**	1,646,076	1,743,494	**5**	(6)
Total assets	**9,016,377**	9,516,864	8,906,778	**(5)**	7
Current liabilities	**304,375**	432,535	815,026	**(30)**	(47)
Total unrestricted net position	**$ 8,712,002**	$ 9,084,329	$ 8,091,752	**(4)**	12

Fiscal Year 2024 Activities

In fiscal year 2024, total assets decreased by $500,487 or 5%, primarily due to cash used for operations of $973,097, which was offset by $376,262 of interest generated by investments during fiscal year 2024. Non-current assets increased by $77,432 or 5% due to additional purchases of long-term investments.

Current liabilities decreased by $128,160 or 30%, primarily due to (1) a non-refundable down payment of approximately $70,000 received in fiscal year 2022, which was recognized into income during 2024, (2) a $31,500 decrease in unearned compliance fee prepaid during the year compared to fiscal year 2023, and (3) the timing of expenses incurred and payments made to the New York City Economic Development Corporation (NYCEDC) for reimbursement of costs paid on the Corporation's behalf.

As a result of a decrease in the Corporation's operating activities and an increase in non-operating activities, net position decreased by $372,327 or 4% in fiscal year 2024, as compared to an increase of 12% in fiscal year 2023.

Fiscal Year 2023 Activities

In fiscal year 2023, total assets increased by $610,086 or 7%, primarily due to approximately $780,000 of cash provided by current year operations. Non-current assets decreased by $97,418 or 6% due to investments previously classified as long-term becoming current.

Current liabilities decreased by $382,491 or 47% primarily due to a reimbursement payment made during the fiscal year to New York City Economic Development Corporation (NYCEDC) of $422,470. This related to a special project commitment for Berklee College of Music, Inc. that was approved by the Build NYC Board of Directors on November 8, 2017.

As a result of an increase in the Corporation's operating and non-operating activities, net position increased by $992,577 or 12% in fiscal year 2023, as compared to an increase of 11% in fiscal year 2022.

Operating Activities

Build NYC was organized to assist entities in obtaining tax-exempt and taxable bond financing. Build NYC's primary goal is to facilitate access to private activity tax-exempt bond financing for entities to acquire, construct, renovate, and/or equip their facilities, as well as refinance previous financing transactions.

The Corporation charges various program fees that include application fees, financing fees, post-closing fees, and compliance monitoring fees.

The following table summarizes changes in Build NYC's net position for fiscal years 2024, 2023, and 2022 and the percentage change between June 30, 2024, 2023, and 2022:

				% Change	
	2024	**2023**	**2022**	**2024-2023**	**2023-2022**
Operating revenues	**$ 1,474,092**	$ 3,042,920	$ 3,122,141	**(52)%**	(3)%
Operating expenses	**2,303,474**	2,302,455	2,306,142	**–**	–
Operating (loss) income	**(829,382)**	740,465	815,999	**(212)**	(9)
Non-operating revenues (expenses), net	**457,055**	252,112	(5,577)	**81**	4,621
Change in net position	**$ (372,327)**	$ 992,577	$ 810,422	**(138)**	22

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Fiscal Year 2024 Activities

In fiscal year 2024, operating revenues decreased by $1,568,828 or 52%. This is a result of a decrease in project finance fee revenues of $1,499,389 and a decrease of $39,999 in application fees. The decrease of fee revenues is due to the generation of six bond transactions in 2024 as compared to thirteen bond transactions in 2023. The reduction in transactions is a direct function of higher interest rates.

Total operating expenses decreased by $1,019 in fiscal year 2024, remaining relatively unchanged as compared to prior year.

The net non-operating revenues (expenses) category had a total increase of $204,943 in fiscal year 2024 primarily due to investment income generated as a result of favorable market conditions during fiscal year 2024.

Fiscal Year 2023 Activities

In fiscal year 2023, operating revenues decreased by $79,221 or 3%. This is a result of a decrease in project finance fee revenues of approximately $52,000 and a decrease of $40,000 in application fees. The decrease of fee revenues is due to the generation of thirteen bond transactions in 2023 as compared to fifteen bond transactions in 2022.

Total operating expenses decreased by $3,687 in fiscal year 2023, remaining relatively unchanged as compared to prior year.

The net non-operating revenues (expenses) category had a total increase of $257,689 in fiscal year 2023 primarily due to investment income generated as a result of favorable market conditions during fiscal year 2023.

Contacting the Corporation's Financial Management

This financial report is designed to provide our customers, clients, creditors and the public with a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the resources at its disposal. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer, Build NYC Resource Corporation, One Liberty Plaza, New York, NY 10006.

Build NYC Resource Corporation
(A Component Unit of The City of New York)

Statements of Net Position

	June 30	
	2024	**2023**
Assets		
Current assets:		
Cash and cash equivalents *(Note 3)*	**$ 2,628,565**	$ 1,413,375
Investments *(Note 3)*	**4,646,144**	6,454,808
Fees receivable, net of allowance for doubtful accounts of $14,030 and $28,755, respectively	**18,160**	2,605
Total current assets	**7,292,869**	7,870,788
Non-current assets,		
Investments *(Note 3)*	**1,723,508**	1,646,076
Total non-current assets	**1,723,508**	1,646,076
Total assets	**9,016,377**	9,516,864
Liabilities and net position		
Current liabilities:		
Accounts payable and accrued expenses	**43,000**	59,497
Due to New York City Economic Development Corporation	**5,700**	11,047
Unearned revenue and other liabilities	**255,675**	361,991
Total current liabilities	**304,375**	432,535
Net position – unrestricted	**$ 8,712,002**	$ 9,084,329

See accompanying notes.

Build NYC Resource Corporation
(A Component Unit of The City of New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30	
	2024	**2023**
Operating revenues		
Fee income *(Note 2)*	**$ 1,474,092**	$ 3,042,920
Total operating revenues	**1,474,092**	3,042,920
Operating expenses		
Management fees *(Note 4)*	**2,200,000**	2,200,000
Public hearing expenses	**58,662**	55,083
Auditing expenses	**43,000**	41,500
Bad debt expense	–	3,581
Other expenses	**1,812**	2,291
Total operating expenses	**2,303,474**	2,302,455
Operating (loss) income	**(829,382)**	740,465
Non-operating revenues		
Investment income	**457,055**	252,112
Total non-operating revenues, net	**457,055**	252,112
Change in net position	**(372,327)**	992,577
Unrestricted net position, beginning of year	**9,084,329**	8,091,752
Unrestricted net position, end of year	**$ 8,712,002**	$ 9,084,329

See accompanying notes.

Build NYC Resource Corporation
(A Component Unit of The City of New York)

Statements of Cash Flows

	Year Ended June 30 2024	2023
Cash flows from operating activities		
Financing and other fees	**$ 1,352,221**	$ 3,049,325
Management fees paid	**(2,200,000)**	(2,200,000)
Audit expenses paid	**(37,350)**	(40,000)
Public hearing expenses paid	**(87,084)**	(26,661)
Miscellaneous expenses paid	**(884)**	(1,879)
Net cash (used in) provided by operating activities	**(973,097)**	780,785
Cash flows from investing activities		
Investment income	**376,262**	252,112
Sale of investments	**6,450,000**	2,945,943
Purchase of investments	**(4,637,975)**	(6,317,374)
Net cash provided by (used in) investing activities	**2,188,287**	(3,119,319)
Cash flows from non-capital financing activities		
Special projects	**–**	(422,470)
Net cash used in non-capital financing activities	**–**	(422,470)
Net increase (decrease) in cash and cash equivalents	**1,215,190**	(2,761,004)
Cash and cash equivalents at beginning of year	**1,413,375**	4,174,379
Cash and cash equivalents at end of year	**$ 2,628,565**	$ 1,413,375
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities		
Operating (loss) income	**$ (829,382)**	$ 740,465
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:		
Provision for bad debt	**–**	3,581
Changes in operating assets and liabilities:		
Fees receivable	**(15,555)**	(3,240)
Accounts payable and accrued expenses	**(16,497)**	19,497
Due to NYC Economic Development Corp.	**(5,347)**	820
Unearned revenue and other liabilities	**(106,316)**	19,662
Net cash (used in) provided by operating activities	**$ (973,097)**	$ 780,785
Supplemental disclosures of non-cash activities		
Unrealized gain on investments	**$ 80,793**	$ –

See accompanying notes.

1. Background and Organization

Build NYC Resource Corporation (Build NYC or the Corporation), a component unit of The City of New York (The City), is a local development corporation, organized under section 1411 of the Not-For-Profit Corporation Law of the State of New York that commenced operation in 2011. Build NYC was organized to assist entities in obtaining tax-exempt and taxable bond financing under the federal tax laws. Build NYC's primary goal is to facilitate access to private activity tax-exempt bond financing for eligible entities to acquire, construct, renovate, and/or equip their facilities and to refinance previous financing transactions.

The Corporation is governed by a Board of Directors, which establishes official policies and reviews and approves requests for financial assistance. Its membership is prescribed by the Corporation's Certificate of Incorporation and By-Laws which include a public official and appointees of the Mayor.

Bonds issued by Build NYC are special nonrecourse conduit debt obligations of the Corporation, which are payable solely from the payments and revenues provided for in the loan agreements with participating organizations (beneficiaries). The bonds are secured by collateral interests in the loan agreements and other security provided by the beneficiaries. Both the bonds and certain provisions of the loan agreements are administered by independent bond trustees appointed by the Corporation.

The total conduit debt obligations outstanding totaled $3,756,422,078 and $3,741,564,404 for the years ended June 30, 2024 and 2023, respectively. Due to the fact that: (1) the bonds are nonrecourse conduit debt obligations of the Corporation, (2) the Corporation assigns its interests in the loan agreements as collateral, and (3) the Corporation has no substantive obligations under the loan agreements, the Corporation has, in effect, none of the risks and rewards of the loan agreements and related bond financing. Accordingly, with the exception of certain fees derived from financing transactions, these financing transactions are given no accounting recognition in the accompanying financial statements.

2. Summary of Significant Accounting Policies

Basis of Presentation

Build NYC has been classified as an "enterprise fund" as defined by the Governmental Accounting Standards Board (GASB) and, as such, the financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. In its accounting and financial reporting, Build NYC follows the pronouncements of the GASB.

Cash Equivalents

The Corporation considers all highly liquid investments purchased with original maturities of 90 days or less to be cash equivalents.

Investments

Investments held by Build NYC are recorded at fair value based on quoted market prices, except for certificates of deposit, which are valued at cost.

Revenue and Expense Recognition

Operating revenues consist of income from application fees, financing fees, recaptured benefits, compliance monitoring fees and late fees. Application and financing fees are recognized as earned when paid. Build NYC's recapture of benefits is solely based upon the mortgage recording tax waiver; a benefit that eliminates the mortgage recording taxes correlated with mortgages taken for the project. This benefit is recaptured as a result of a violation of the project agreement. Compliance monitoring fees are received annually, in advance, and deferred and amortized into income as earned.

Build NYC's operating expenses include management fees and related administration expenses. All other revenues and expenses are reported as non-operating revenues and expenses.

2. Summary of Significant Accounting Policies (continued)

Recently Adopted Accounting Pronouncement

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023. The adoption of this statement did not have a significant impact on the Corporation's financial statements.

Upcoming Accounting Pronouncements

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The primary objective of this statement is to improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The Corporation is evaluating the impact this statement will have on its financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The primary objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The Corporation is evaluating the impact this statement will have on its financial statements.

3. Deposits and Investments

At year-end, Build NYC's cash and cash equivalent balance held in bank was $1,405,122. Of this amount, $250,000 was insured by the Federal Depository Insurance Corporation. Of the remaining balance, $406,645 was in money market funds invested in U.S. government obligations.

Fair Value Measurement – The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into the following levels:

Level 1 – value based on quoted prices in active markets for identical assets.

Level 2 – value based on significant other observable inputs, such as a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Level 3 – value based on inputs that are unobservable and significant to the fair value measurement, such as discounted cash flows.

Money market funds, categorized as Level 1 inputs, are valued at the unadjusted prices that are quoted in active principal markets for identical assets. U.S. Treasury and Agency securities, categorized as Level 2, are valued on models using observable inputs.

3. Deposits and Investments (continued)

As of June 30, 2024 and 2023, the Corporation had the following investments (in thousands). Investment maturities are shown only for June 30, 2024.

	Fair Value		2024 Investment Maturities (in Years)	
	2024	**2023**	**Less Than 1**	**1 to 2**
Money Market Funds	**$ 1,630**	$ 414	**$ 1,630**	**$ –**
Federal Farm Credit Bank	**1,207**	1,072	**–**	**1,207**
Federal Home Loan Bank	**1,723**	7,029	**1,723**	**–**
Federal Home Loan Mortgage Co.	**2,803**	–	**2,287**	**516**
U.S. Treasuries	**637**	–	**637**	**–**
Total	**8,000**	8,515		
Less: investments classified as cash equivalents	**(1,630)**	(414)		
Total investments	**$ 6,370**	$ 8,101		

Interest Rate Risk: The Corporation has a formal investment policy, which limits investment maturities up to a maximum of two years from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: It is the Corporation's policy to limit its investments in debt securities to those rated in the highest rating category by at least two nationally recognized bond rating agencies or other securities guaranteed by the U.S. government. As of June 30, 2024, the Corporation's investments in Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Co. (FHLMC) and U.S. Treasuries were rated AA+ by Standard & Poor's (S&P) and Aaa by Moody's Investor Services, Inc. (Moody's). Money market funds were rated Aaa by Moody's and AAA by Fitch Ratings.

3. Deposits and Investments (continued)

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of the counterparty. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the Corporation. The Corporation manages this credit risk by limiting its custodial exposure to highly rated institutions and/or requiring high quality collateral be held by the counterparty in the name of the Corporation.

Concentration of Credit Risk: The Corporation places no limit on the amount it may invest in any U.S. government backed securities. The following table shows investments that represent 5% or more of total investments as of June 30, 2024 and 2023, including money market funds (dollars in thousands):

	Dollar Amount and Percentage of Total Investments			
Issuer	**June 30, 2024**		**June 30, 2023**	
Money Market Funds	**$ 1,630**	**20%**	$ 414	4%
FFCB	**1,207**	**15**	1,072	13
FHLB	**1,723**	**22**	7,029	83
FHLMC	**2,803**	**35**	–	–
U.S. Treasuries	**637**	**8**	–	–

4. Management Fee

To support the activities of Build NYC, the Corporation annually enters into a contract with the New York City Economic Development Corporation (NYCEDC), a not-for-profit corporation and a component unit of The City organized to administer economic development programs which foster business expansion in The City. Under the terms set forth in the contract, NYCEDC provides Build NYC with all the professional, administrative, and technical staff assistance it needs to accomplish its objectives. The fixed annual fee for these services under the agreement between NYCEDC and the Corporation is $2,200,000 for both fiscal years ended June 30, 2024 and 2023.

5. Commitments

Pursuant to board approved agreements between Build NYC and NYCEDC, Build NYC committed to fund projects being administered by NYCEDC relating to The City's community and economic development initiatives. Total special project commitments under these agreements amounted to $3,000,000 with an outstanding obligation of $3,000,000 at June 30, 2024. The current special project commitment, approval date, total and outstanding commitment balances are as follows as of June 30, 2024:

Project	Approval Date	Total Commitment	Life To-Date Expenses	Current Total De-Obligate	Outstanding Commitment
Industrial Development Loan Fund	9/21/2021	$ 3,000,000	$ –	$ –	$ 3,000,000
		$ 3,000,000	$ –	$ –	$ 3,000,000

For the years ended June 30, 2024 and 2023, no expenses have been incurred by the Corporation relating to the above project.

6. Risk Management

Although there should not be any liability for personal injuries as a result of its lending activities, Build NYC has been named a party to personal injury litigation in the past. Build NYC requires all project companies to indemnify Build NYC and to purchase and maintain commercial liability insurance coverage for these risks and name Build NYC as an additional insured. Build NYC also is an additional named insured on NYCEDC's general liability policy. As of June 30, 2024, there were no reported pending personal injury claims or litigation against Build NYC.

II. *Government Auditing Standards* Section

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

The Management and the Board of Directors
Build NYC Resource Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the Build NYC Resource Corporation (the Corporation), a component unit of The City of New York, which comprise the statement of net position as of June 30, 2024, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"), and have issued our report thereon dated ________, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

________, 2024

Summary Financial Information

SUMMARY STATEMENT OF NET ASSETS

			Amount
Assets			
Current Assets			
	Cash and cash equivalents		$2,628,565.00
	Investments		$4,646,144.00
	Receivables, net		$18,160.00
	Other assets		$0.00
	Total current assets		$7,292,869.00
Noncurrent Assets			
	Restricted cash and investments		$1,723,508.00
	Long-term receivables, net		$0.00
	Other assets		$0.00
	Capital Assets		
		Land and other nondepreciable property	$0.00
		Buildings and equipment	$0.00
		Infrastructure	$0.00
		Accumulated depreciation	$0.00
		Net Capital Assets	$0.00
	Total noncurrent assets		$1,723,508.00
Total assets			$9,016,377.00
Liabilities			
Current Liabilities			
	Accounts payable		$0.00
	Pension contribution payable		$0.00
	Other post-employment benefits		$0.00
	Accrued liabilities		$48,700.00
	Deferred revenues		$255,675.00
	Bonds and notes payable		$0.00
	Other long-term obligations due within one year		$0.00
	Total current liabilities		$304,375.00
Noncurrent Liabilities			

	Pension contribution payable		$0.00
	Other post-employment benefits		$0.00
	Bonds and notes payable		$0.00
	Long term leases		$0.00
	Other long-term obligations		$0.00
	Total noncurrent liabilities		$0.00
Total liabilities			$304,375.00
Net Asset (Deficit)			
Net Assets			
	Invested in capital assets, net of related debt		$0.00
	Restricted		$0.00
	Unrestricted		$8,712,002.00
	Total net assets		$8,712,002.00

SUMMARY STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

			Amount
Operating Revenues			
	Charges for services		$1,474,092.00
	Rental and financing income		$0.00
	Other operating revenues		$0.00
	Total operating revenue		$1,474,092.00
Operating Expenses			
	Salaries and wages		$0.00
	Other employee benefits		$0.00
	Professional services contracts		$2,243,000.00
	Supplies and materials		$0.00
	Depreciation and amortization		$0.00
	Other operating expenses		$60,474.00
	Total operating expenses		$2,303,474.00
Operating income (loss)			($829,382.00)
Nonoperating Revenues			
	Investment earnings		$457,055.00
	State subsidies/grants		$0.00
	Federal subsidies/grants		$0.00
	Municipal subsidies/grants		$0.00
	Public authority subsidies		$0.00

	Other nonoperating revenues		$0.00
	Total nonoperating revenue		$457,055.00
Nonoperating Expenses			
	Interest and other financing charges		$0.00
	Subsidies to other public authorities		$0.00
	Grants and donations		$0.00
	Other nonoperating expenses		$0.00
	Total nonoperating expenses		$0.00
	Income (loss) before contributions		($372,327.00)
Capital contributions			$0.00
Change in net assets			($372,327.00)
Net assets (deficit) beginning of year			$9,084,329.00
Other net assets changes			$0.00
Net assets (deficit) at end of year			$8,712,002.00

Exhibit B

BUILD NYC RESOURCE CORPORATION
INVESTMENT REPORT

Board of Directors Meeting, September 24, 2024

WHEREAS, the Public Authorities Law requires public authorities to annually prepare and approve an investment report, which shall include the public authority's comprehensive investment guidelines, amendments to such guidelines since the last investment report, an explanation of the investment guidelines and amendments, the results of the annual independent audit, the investment income record of the public authority and a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and adviser rendering investment associated services to the public authority since the last investment report.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Directors of Build NYC Resource Corporation hereby approves the Investment Report for the fiscal year ended June 30, 2024 annexed hereto (including all attachments, schedules and exhibits thereto).

BUILD NYC RESOURCE CORPORATION
INVESTMENT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Comprehensive Investment Guidelines Policy

Attached hereto as Schedule I is the Comprehensive Investment Guidelines Policy of Build NYC Resource Corporation (the "Corporation"), as approved by the Corporation's Board of Directors on June 11, 2024 (the "Investment Policy"). The Investment Policy approved by the Corporation's Board of Directors on June 11, 2024 did not contain any substantive amendments as compared to the Investment Policy approved by the Corporation's Board of Directors on June 6, 2023.

Investment Objectives

By way of summary, the investment objectives set forth in the Investment Policy are as follows: preservation of capital; maintenance of liquidity; maximization of return; and compliance with law.

Annual Independent Audit

The results of the annual independent audit (including the independent accountant's audit report) for the fiscal year ended June 30, 2024 are attached hereto as Schedule II.

Investment Income Record

Investment income from interest earned on bank accounts, certificates of deposits and securities was $342,278 for the fiscal year ended June 30, 2024.

Fees, Commissions and Other Charges

The Corporation did not pay any fees, commissions or other charges to an investment banker, broker, agent, dealer or advisor during the fiscal year ended June 30, 2024.

SCHEDULE I

INVESTMENT POLICY

Attached.

BUILD NYC RESOURCE CORPORATION

COMPREHENSIVE INVESTMENT GUIDELINES POLICY

Adopted December 13, 2011, as amended through June 11, 2024

I. PURPOSE

The purpose of this Policy is to establish procedures and guidelines regarding the investing, monitoring and reporting of funds of Build NYC Resource Corporation ("Build NYC").

II. GENERAL PROVISIONS

A. Scope of Policy

This Policy applies to the funds of Build NYC, which for purposes of this Policy and the guidelines stated herein, consist of all moneys and other financial resources available for deposit and investment by Build NYC on its own behalf and for its own account (collectively, the "Funds"). As defined herein, "Funds" shall not include the proceeds of conduit bonds issued by Build NYC as financial assistance in connection with a project.

B. Investment Objectives

The Funds shall be managed to accomplish the following objectives:

1. *Preservation of Principal* – The single most important objective of Build NYC's investment program is the preservation of the principal of the Funds.

2. *Maintenance of Liquidity* – The Funds shall be managed in such a manner that assures that funds are available as needed to meet immediate and/or future operating requirements of Build NYC.

3. *Maximize Return* – The Funds shall be managed in such a fashion as to maximize income through the purchase of Permitted Investments (hereinafter defined), taking into account the other investment objectives.

III. IMPLEMENTATION OF GUIDELINES

The Chief Financial Officer of Build NYC or, if under the direction of the Chief Financial Officer of Build NYC, the Treasurer of Build NYC or an Assistant Treasurer of Build NYC (respectively, the "Chief Financial Officer", "the "Treasurer," and an "Assistant Treasurer") is each hereby authorized to invest the Funds. The Treasurer or an Assistant Treasurer shall be responsible for the prudent investment of the Funds and for the implementation of the investment program and the establishment of investment procedures and a system of controls to regulate the activities of subordinate staff, consistent with this Policy.

IV. AUTHORIZED INVESTMENTS

A. The Treasurer or an Assistant Treasurer may invest the Funds in the following securities (collectively, the "Securities"):

1. *U.S.A.* Obligations or securities issued by the United States.

2. *Federal Agency Obligations*. Obligations or securities issued by any agency or instrumentality of the United States if guaranteed, as to principal and interest, by the United States.

3. *Commercial Paper*. Debt obligations with a maturity of no greater than 270 days and with ratings that are the highest ratings issued by at least two rating agencies approved by the Comptroller of the State of New York.

4. *Bankers' Acceptances* of banks with worldwide assets in excess of $50 million that are rated with the highest categories of the leading bank rating services and regional banks also rated within the highest categories.

5. *Certificates of Deposit and Time Deposits* with New York banks, including minority-owned banks. All such certificates of deposit in these banks must be Federal Deposit Insurance Corporation ("FDIC") insured; *provided, however,* if and to the extent such certificates of deposits or time deposits are not FDIC insured, such Securities shall comply with all other applicable requirements of the General Municipal Law of the State of New York, including, but not limited to, requirements as to the collateralization of deposits of funds in excess of the amounts insured by the FDIC.

6. *Other investments* approved by the Comptroller of New York City for the investment of City funds.

B. Build NYC shall instruct its Agents (as such term is defined in Subdivision X of this Policy) to obtain competitive quotes for each purchase or sale of Securities, other than governmental Securities, when such transaction equals or exceeds $2,500,000 in amount.

The Treasurer shall maintain, or cause to be maintained, proper books and records of all Securities held by or for Build NYC and for all transactions pertinent thereto. Such books and records shall at least identify the Security, the fund for which held, and the place where kept; and the entries made therein shall show the competitive quotes obtained therefor, the date of sale or other disposition, and the amount realized therefrom.

C. In addition to investments in Securities, Build NYC may deposit Funds in the following ("Deposit Accounts"), with respect to Funds needed for operational expenses and Funds awaiting investment or disbursement:

1. High quality no-load money market mutual funds that restrict their investments to short term, highly rated money market instruments.

2. Other interest bearing accounts, if permitted by applicable laws, rules and regulations, with New York City financial institutions designated by the New York City Banking Commission or such other financial institutions approved by the Deputy Mayor for Economic Development or his successor in function.

V. WRITTEN CONTRACTS

Build NYC shall enter into written contracts pursuant to which investments are made which conform with the requirements of this Policy and Section 2925.3(c) of the Public Authorities Law unless the Board of Directors determines by resolution that a written contract containing such provisions is not practical or that there is not a regular business practice of written contracts containing such provisions with respect to a specific investment or transaction, in which case the Board of Directors shall adopt procedures covering such investment or transaction.

VI. DIVERSIFICATION

The investment portfolio for the Funds shall be structured diversely to reduce the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific type of security. The maximum percentage of the total portfolio permitted in the indicated type of eligible security is as follows:

REFERENCE	SECURITY	MAXIMUM
IV.A.1	U.S.A.	100% maximum
IV.A.2	Federal Agency	100% maximum
IV.A.3	Commercial Paper	40% maximum
IV.A.4	Bankers Acceptances	25% maximum
IV.A.5	Certificates of Deposit; Time Deposits	45% maximum
IV.A.6	Other Investments Approved by NYC Comptroller for City Funds	A percentage deemed prudent by CFO

VII. INVESTMENT MATURITIES

Maintenance of adequate liquidity to meet the cash flow needs of Build NYC is essential. Accordingly, the portfolio will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities must be consistent with cash requirements in order to avoid the forced sale of securities prior to maturity.

For purposes of this Policy, assets of the portfolio shall be segregated into two categories based on expected liquidity needs and purposes – Cash equivalents and Investments. Assets categorized as Cash equivalents will be invested in permitted investments maturing in ninety (90) days or less or in Deposit Accounts. Assets categorized as Investments will be invested in permitted investments with a stated maturity of no more than two (2) years from the date of purchase, as may be adjusted pursuant to VIII below.

VIII. MONITORING AND ADJUSTING THE INVESTMENT PORTFOLIO

Those responsible for the day-to-day management of the portfolio will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio as necessary to meet the requirements and goals of this Policy. It is recognized and understood that the non-speculative active management of portfolio holdings may cause a loss on the sale of an owned investment. From time to time, the Chief Financial Officer may exercise his or her discretion and invest outside of the requirements of the guidelines stated in VI and/or VII so long as the four overarching objectives in IIB are met and communication is provided to the Audit Committee at the next scheduled Audit Committee meeting. Exceptions to the requirements of the guidelines stated in VI and/or VII should not vary materially from current guidelines in amounts or duration.

IX. INTERNAL CONTROLS

The Chief Financial Officer or, if under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall establish and be responsible for monitoring a system of internal controls governing the administration and management of the portfolio. Such controls shall be designed to prevent and control losses of the portfolio funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel.

X. ELIGIBLE BROKERS, AGENTS, DEALERS, INVESTMENT ADVISORS, INVESTMENT BANKERS AND CUSTODIANS

The following are the standards for the qualifications of brokers, agents, dealers, investment advisors, investment bankers and custodians:

A. BROKERS, AGENTS, DEALERS

The categories of firms listed below are the categories from which Build NYC may select firms to purchase and sell Securities (as selected an "Agent"). Factors to be considered by Build

NYC in selecting Agents from these categories shall include the following: size and capitalization; quality and reliability; prior experience generally and prior experience with Build NYC specifically; and level of expertise for the transactions contemplated.

1. any bank or trust company organized and/or licensed under the laws of the USA which is authorized to do business in NYS;

2. any bank or trust company organized and/or licensed under the laws of any state of the USA which is authorized to do business in NYS;

3. any broker-dealer licensed and/or permitted to provide services under federal law and, when necessary, qualified to do business in NYS.

B. INVESTMENT ADVISORS

In addition to the requirements set forth in "A" preceding, any Agent selected by Build NYC to be an investment advisor shall be registered with the SEC under the Investment Advisors Act of 1940.

C. INVESTMENT BANKERS

In addition to the requirements set forth in "A" preceding, any Agent selected by Build NYC to serve as a senior managing underwriter for negotiated sales must be registered with the SEC.

D. CUSTODIANS

In addition to the requirements set forth in "A" preceding, any Agent selected by Build NYC to be a custodian shall have capital and surplus of not less than $50,000,000.

XI. REPORTING

A. Quarterly

The Chief Financial Officer or, if under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall prepare and deliver to the Board of Directors once for each quarter of Build NYC's fiscal year a report setting forth a summary of new investments made during that quarter, the inventory of existing investments and the selection of investment bankers, brokers, agents, dealers, investment advisors and auditors.

B. Annually

1. *Audit* – Build NYC's independent accountants shall conduct an annual audit of Build NYC's investments for each fiscal year of Build NYC, the results of which shall be made available to the Board of Directors at the time of its annual review and approval of these Guidelines.

2. *Investment Report* – Annually, the Treasurer or, if under the direction of the Treasurer, an Assistant Treasurer shall prepare and the Board of Directors shall review and approve an Investment Report, which shall include:

a. This Policy and amendments thereto since the last report;

b. An explanation of this Policy and any amendments made since the last report;

c. The independent audit report required by paragraph 1 above;

d. The investment income record of Build NYC for the fiscal year; and

e. A list of fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to Build NYC since the last report.

The Investment Report shall be submitted to the Mayor and the Comptroller of the City of New York and to the New York State Department of Audit and Control. Copies of the report shall also be made available to the public upon reasonable request.

XII. APPLICABILITY

Nothing contained in this Policy shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement for investment of the Funds, made or entered into in violation of, or without compliance with, the provisions of this policy.

XIII. CONFLICT OF LAW

In the event that any portion of this Policy is in conflict with any State, City or Federal law, that law will prevail.

XIV. PRIOR AUTHORIZATIONS NOT SUPERSEDED

This Policy does not supersede or replace the following authorizations: (i) powers and other authorizations provided to the Treasurer of Build NYC in the By-Laws of Build NYC and (ii) the powers and other authorizations provided in resolutions adopted by Build NYC's Board of Directors at its meeting held on December 13, 2011, which resolutions, among other matters, authorized and resolved that empowered officers of Build NYC be authorized to (x) enter into banking or other depository accounts and otherwise conduct banking business, (ii) sign checks, notes, drafts and other negotiable instruments, and (iii) open checking accounts.

XV. MWBEs

Build NYC shall seek to encourage participation by minority and women-owned business enterprises (i.e., "MWBEs") in providing financial services to Build NYC.

SCHEDULE II

RESULTS OF ANNUAL INDEPENDENT AUDIT

Attached.

Schedule of Investments

Build NYC Resource Corporation
(A Component Unit of The City of New York)
Years Ended June 30, 2024 and 2023
With Reports of Independent Auditors

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Build NYC Resource Corporation
(A Component Unit of The City of New York)

Schedule of Investments

Years Ended June 30, 2024 and 2023

Contents

Report of Independent Auditors

The Management and the Board of Directors
Build NYC Resource Corporation

Report on the Audit of the Schedule of Investments

Opinion

We have audited the Schedule of Investments of the Build NYC Resource Corporation (the Corporation), a component unit of The City of New York, as of June 30, 2024 and 2023, and the related notes (collectively referred to as the "schedule").

In our opinion, the accompanying schedule presents fairly, in all material respects, the investments of the Corporation at June 30, 2024 and 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Financial Statements as of June 30, 2024 and 2023

We have audited, in accordance with GAAS and *Government Auditing Standards,* the financial statements of the Corporation as of and for the years ended June 30, 2024 and 2023, and our report thereon, dated ________, 2024, expressed an unmodified opinion on those financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated ________, 2024, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters with respect to the schedule. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance with respect to the schedule.

________, 2024

Build NYC Resource Corporation
(A Component Unit of The City of New York)

Schedule of Investments

(In Thousands of Dollars)

	June 30	
	2024	**2023**
Investments		
Unrestricted	**$ 8,000**	$ 8,515
Total investments	**$ 8,000**	$ 8,515

The accompanying notes are an integral part of this schedule.

Notes to Schedule of Investments

June 30, 2024

1. Background and Organization

Build NYC Resource Corporation (Build NYC or the Corporation), a component unit of The City of New York (The City), is a local development corporation, organized under section 1411 of the Not-For-Profit Corporation Law of the State of New York that commenced operations in 2011. Build NYC was organized to assist entities in obtaining tax-exempt and taxable bond financing under the federal tax laws. Build NYC's primary goal is to facilitate access to private activity tax-exempt bond financing for eligible entities to acquire, construct, renovate, and/or equip their facilities and to refinance previous financing transactions.

The Corporation is governed by a Board of Directors, which establishes official policies and reviews and approves requests for financial assistance. Its membership is prescribed by the Corporation's Certificate of Incorporation and By-Laws which include a public official and appointees of the Mayor.

Bonds issued by Build NYC are special nonrecourse conduit debt obligations of the Corporation, which are payable solely from the payments and revenues provided for in the loan agreements with participating organizations (beneficiaries). The bonds are secured by collateral interest in the loan agreements and other security provided by the beneficiaries. Both the bonds and certain provisions of the loan agreements are administered by independent bond trustees appointed by the Corporation.

Due to the fact that: (1) the bonds are nonrecourse conduit debt obligations of the Corporation, (2) the Corporation assigns its interest in the loan agreements as collateral, and (3) the Corporation has no substantive obligations under the loan agreements, the Corporation has, in effect, none of the risks and rewards of the loan agreements and related bond financing. Accordingly, with the exception of certain fees derived from financing transactions, these financing transactions are given no accounting recognition in the financial statements of the Corporation.

2. Summary of Significant Accounting Policies

Cash Equivalents

The Corporation considers all highly liquid investments purchased with original maturities of 90 days or less to be cash equivalents.

Investments

All investments are recorded at fair value based on quoted market prices, except for certificates of deposit, which are valued at cost.

3. Investments

Fair Value Measurement – The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into the following levels:

Level 1 – value based on quoted prices in active markets for identical assets.

Level 2 – value based on significant other observable inputs, such as a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Level 3 – value based on inputs that are unobservable and significant to the fair value measurement such as discounted cash flows.

Money market funds, categorized as Level 1 inputs, are valued at the unadjusted prices that are quoted in active principal markets for identical assets. U.S. Treasury and U.S. Agency securities, categorized as Level 2, are valued on models using observable inputs.

3. Investments (continued)

As of June 30, 2024 and 2023, the Corporation had the following investments (in thousands). Investments maturities are shown only for June 30, 2024.

	Fair Value 2024	Fair Value 2023	2024 Investment Maturities (In Years) Less Than 1	2024 Investment Maturities (In Years) 1 to 2
Money Market Funds	**$ 1,630**	$ 414	**$ 1,630**	**$ –**
Federal Farm Credit Bank	**1,207**	1,072	–	**1,207**
Federal Home Loan Bank	**1,723**	7,029	**1,723**	–
Federal Home Loan Mortgage Co.	**2,803**	–	**2,287**	**516**
U.S. Treasuries	**637**	–	**637**	–
Total Investments	**$ 8,000**	$ 8,515		

Interest Rate Risk – The Corporation has a formal investment policy, which limits investment maturities up to a maximum of two years from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – It is the Corporation's policy to limit its investments in debt securities to those rated in the highest rating category by at least two nationally recognized bond rating agencies or other securities guaranteed by the U.S. government. As of June 30, 2024, the Corporation's investments in Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Co. (FHLMC) and U.S. Treasuries were rated AA+ by Standard & Poor's (S&P) and Aaa by Moody's Investor Services, Inc. (Moody's). Money market funds were rated Aaa by Moody's and AAA by Fitch Ratings.

3. Investments (continued)

Custodial Credit Risk – For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the Corporation. The Corporation manages this credit risk by limiting its custodial exposure to highly rated institutions and/or requiring high quality collateral be held by the counterparty in the name of the Corporation.

Concentration of Credit Risk – The Corporation places no limit on the amount it may invest in any U.S. government backed securities. The following table shows investments that represent 5% or more of total investments, including money market funds (dollars in thousands):

	Dollar Amount and Percentage of Total Investments			
Issuer	**June 30, 2024**		**June 30, 2023**	
Money Market Funds	**$ 1,630**	**20%**	$ 414	4%
FFCB	**1,207**	**15**	1,072	13
FHLB	**1,723**	**22**	7,029	83
FHLMC	**2,803**	**35**	–	–
U.S. Treasuries	**637**	**8**	–	–

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Investments Performed in Accordance with *Government Auditing Standards*

The Management and the Board of Directors
Build NYC Resource Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*, the Schedule of Investments of the Build NYC Resource Corporation (the Corporation), a component unit of The City of New York, as of June 30, 2024, and the related notes (collectively referred to as the "schedule"), and have issued our report thereon dated ________, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the schedule, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the schedule, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's schedule will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's schedule is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and the New York State Comptroller investment guideline requirements as presented in Section 201.3(c) of the *Accounting, Reporting and Supervision Requirements for Public Authorities*, noncompliance with which could have a direct and material effect on the schedule. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

________, 2024

Exhibit C

BUILD NYC RESOURCE CORPORATION
Performance Measurements Report
Board of Directors Meeting
September 24, 2024

WHEREAS, the Public Authorities Law requires Build NYC Resource Corporation ("BNYC" or the "Corporation") to publish a self-evaluation report based on performance measurements adopted by the Board of Directors of the Corporation (the "Board") and to submit such report to the New York State Authorities Budget Office (the "ABO").

WHEREAS, on June 11, 2024, the Board adopted the performance measurements listed in the Performance Measurements Report for the fiscal year ending June 30, 2024 (attached as Attachment A) (the "Performance Measurements Report").

RESOLVED, that the Board hereby acknowledges that it has reviewed the Performance Measurements Report and hereby approves the Performance Measurements Report.

RESOLVED, that the Board hereby directs the Officers of the Corporation to publish the Performance Measurements Report on the Corporation's website and to submit the Performance Measurements Report to the ABO and to any other required persons or entities in accordance with the Public Authorities Law.

ATTACHMENT A

Performance Measurements Report for Fiscal Year 2024

Name of Public Authority:
Build NYC Resource Corporation (BNYC)

Public Authority's Mission Statement:
The mission of the Build NYC Resource Corporation (BNYC) is to encourage community and economic development and job creation and retention throughout New York City by providing lower-cost financing programs to qualified not for-profit institutions and manufacturing, industrial, and other businesses for their eligible capital projects.

List of Performance Measurements:

Performance Measurements	FY2024 7/1/23 – 6/30/24	FY2023 7/1/22 – 6/30/23
Number of Contracts Closed	6	13
Amount of Private Investment Leveraged	$197,193,502	$620,500,000
Total net City tax revenues generated in connection with closed contracts[1]	$58,565,516	$137,591,548
Projected three-year job growth in connection with closed contracts	80.0	331.5
Current total jobs reported by projects that commenced operations in FY 2021[2] as compared to total jobs reported at the time of application for such projects	1,336/1,213 (+123)	1,882 / 1,716 (+166)
Current total jobs reported by projects that commenced operations in FY 2021[3] as compared to the three-year total job growth projections stated in applications for such projects	1,336/1,424 (-88)	1,882 / 1,757 (+125)
Square footage of buildings/improvements receiving benefits	230,854	704,511
Number of projects that received a field visit	36	28
% of projects that received a field visit	24%	19%
% of projects in good standing[4]	97%	98%

[1] Represents projected net city tax revenues through contract maturity.

[2] Also includes projects that closed in FY 2021 but commenced all operations prior to the closing date.

[3] Also includes projects that closed in FY 2021 but commenced all operations prior to the closing date.

[4] Defined as those projects that did not receive a Notice of Event of Default by the end of the Fiscal Year.

Exhibit D

Build NYC Resource Corporation

PROPOSAL
AMENDMENT TO
AUDIT COMMITTEE CHARTER
MEETING OF SEPTEMBER 24, 2024

Summary of Recommendation

The charter ("Charter") for the Audit Committee ("Committee") of the Board of Directors of Build NYC Resource Corporation (the "Corporation") currently requires the Committee to meet three times per annum with the Independent Auditor and the Corporation's Management to discuss issues arising within the purview of the Committee's responsibilities, as enumerated therein. However, the Committee has historically conducted all such required discussions over the course of the first two meetings each year, with no substantive matters being addressed in the third meeting.

Therefore, in order to (i) have the Charter more accurately reflect the procedures followed by the Committee in executing its responsibilities, and (ii) make the most efficient use of the time and effort of the members of the Committee, the Committee recommends that the Board approve an amendment to the charter reducing the number of required annual meetings from three to two and permitting the Committee to convene additional meetings as it deems necessary or advisable.

Action Requested

- Resolution approving an amendment to the following provisions of Section 6 of the Charter (with the remainder being unchanged):
    - In addition to other meetings required or permitted by this Section 6, the Committee shall meet ~~three~~two (2) times per annum with the Independent Auditor and Management, including the Chief Financial Officer, to discuss issues arising within the purview of the Committee's responsibilities. The ~~three~~two (2) meetings shall occur as follows and, in addition to any other relevant topics, must include the following substantive discussions:
        - The first meeting shall occur before commencement of the annual audit. At such meeting the Independent Auditor shall report, in connection with the audit that is to occur, as follows: (i) an overview of the audit process; (ii) the deliverables; (iii) the timetable; and (iv) all significant auditing policies and practices to be used by the Independent Auditor in the course of the audit;
        - ~~o~~ The second meeting shall occur at the end of the annual audit. ~~The purpose of the meeting will be to:~~The purposes of the meeting will be to (1) review the draft of the Independent Auditor's report on the financial statements (the "Auditor's Report"), and (2) review the draft of the Independent Auditor's report on internal control to Management (the "Management Letter"). With respect to the Auditor's Report, the Committee shall (i) review the draft financial statements; and (ii) discuss (a) issues raised by the Independent Auditor (including adjustments required by the Independent Auditor), (b) the ~~report of the Independent Auditor~~Auditor's Report, (c) all alternative treatments of financial information (within GAAP) that the Independent Auditor has discussed with Management and the treatment preferred by the Independent Auditor, (d) ramifications of such alternative treatments, and (e) other material written communications between the Independent Auditor and Management, including the ~~report of the Independent Auditor.~~
        - ~~The third meeting shall occur prior to finalization of the Independent~~ Auditor's ~~report on internal control~~Report. With respect to ~~Management (~~the ~~"~~Management Letter~~"). The purpose of~~, the ~~meeting is to~~Committee shall review the draft Management Letter (including, where applicable, internal control matters, material corrections, and any unadjusted differences), and Management's response to the draft.
    - The Committee may, but shall not be required to, convene additional meetings as it deems necessary or advisable.

- Resolution approving the Charter of the Audit Committee of the Board of Directors of the Corporation, attached as Exhibit A.

Eric Katz, IA
Izzy Cohn, LGL

Exhibit A

Audit Committee Charter

Attached.

CHARTER
for the
AUDIT COMMITTEE
of the
BOARD OF DIRECTORS
of
Build NYC Resource Corporation

(Adopted as of September 24, 2024)

THIS CHARTER is the Charter for the Audit Committee of the Board of Directors of Build NYC Resource Corporation (respectively, the "Committee" and the "Corporation"). For purposes of this Charter, an "Independent Auditor" shall mean a certified public accounting firm, nationally recognized, that is independent and superior in its response to the procurement process pursuant to which it was retained by the Board of Directors of the Corporation (the "Board of Directors" or the "Board").

1. The Purpose of the Committee. The purpose of the Committee is to:

- Oversee and assess the effectiveness of the Corporation's reporting process to insure that the reporting process is credible, controlled and reliable, and its reporting is transparent, comparable, consistent and of high quality.
- Oversee the accounting and reporting of the Corporation to insure that the financial statements of the Corporation fairly and accurately present the financial position of the Corporation.
- Oversee the internal audit activities of the Corporation.

2. The Objectives of the Committee. The Committee's objectives, in support of its purpose, shall be the following:

- To assure for the Corporation a system of internal financial control that will accomplish the following:
    - safeguard the assets of the Corporation against loss from unauthorized use or disposition;
    - cause transactions to be executed in accordance with authorization by the Board of Directors and the Corporation's management ("Management");
    - properly record and account for all financial transactions;
    - insure that all actions of an accounting nature are in accordance with the promulgations of the Government Accounting Standards Board; and

    - prepare financial statements that fairly present the financial position of the Corporation in accordance with Generally Accepted Accounting Principles ("GAAP").
- To assure for the Corporation an external audit process that satisfies the following conditions:
    - independence;
    - impartiality; and
    - execution in accordance with Generally Accepted Auditing Standards.
- To assure the Corporation's compliance with all financial reporting obligations to third parties, whether required by statute, or certificate of incorporation or contract.
- To maintain free and open communication and productive working relationships with or among:
    - the members of the Committee;
    - the members of the Board of Directors;
    - Management;
    - the Independent Auditor;
    - contract parties;
    - the internal audit group of the Corporation if any (the "IA Group"); and
    - other governmental entities.

3. Authority and Powers of the Committee. For purposes of this Charter, the term "Professional Contract(s)" shall mean contracts in which the Corporation engages professional services, related to the purpose and objectives of the Committee as described in this Charter, in the following areas: independent audit services, legal services and other consultant services. The Committee shall have the following authority and may exercise the following powers:

- To perform all activities within the scope of this Charter.
- To report directly to the Board of Directors.
- To recommend to the Board for its approval, that the Corporation enter into a Professional Contract with an Independent Auditor for the purpose of obtaining independent audit services for the Corporation.
- To prescribe the compensation for the Independent Auditor.
- To authorize and cause the Corporation to enter into Professional Contracts, other than the Professional Contract with the Independent Auditor, and to do so without the approval of the Board of Directors and to prescribe the compensation to be paid thereunder.
- To supervise and review the work, services and counsel provided under Professional Contracts, including but not limited to the work and services provided by the Independent Auditor. In particular, the Committee shall monitor the work of the Independent Auditor so that such work is in conformity with the requirements set forth in Appendix 1 hereto.

- To have unrestricted access to (i) Management, (ii) employees of the Corporation, (iii) the Corporation's facilities, real and personal, (iv) the books and records of the Corporation, and (v) the IA Group, if any, and its books and records.
- To oversee the IA Group (if any) and to approve its audit plan.
- To review for adequacy, reliability and clarity, and to monitor conformity with GAAP, the Corporation's accounting practices, including but not limited to: (i) the procedures for internal financial control; (ii) the accounting of all transactions; (iii) the audit procedures employed by the Independent Auditor; and (iv) the dissemination of the financial position and performance information of the Corporation.
- To review from time to time the fees, compensation and expenses paid under Professional Contracts.
- Any member of the Committee shall have the right to propose to his or her co-members and to Management changes and amendments to this Charter.

4. Required Credentials for Members of the Committee. Individuals appointed to be members of the Committee shall have the following credentials:

- The ability to read and understand financial statements.
- A working knowledge of GAAP.
- A working knowledge of concepts commonly used in corporate finance.
- Employment or professional experience that involves (or involved) finance and/or accounting.
- The absence of any conflict-of-interest that would impair the individual's ability to faithfully and impartially pursue the purpose of this Committee and to perform its objectives, all as set forth in this Charter. In particular (and without limiting the generality of the foregoing), any individual to be appointed a Committee member shall not have a conflict-of-interest that would interfere with that individual's impartial selection or impartial oversight of the Independent Auditor, including but not limited to determinations as to appropriate compensation.
- Independence in accordance with the standards set forth in Appendix 2 annexed hereto.

5. Standards to which the Committee must adhere. In performing its responsibilities, the Committee shall adhere to the following:

- Law, both statute and contract.
- GAAP.
- Authorization provided by the Board of Directors and by the Corporation's Certificate of Incorporation and By-Laws.
- The Corporation's mission and purpose.
- Commonly recognized principles of prudence, integrity and impartiality.

6. Specific Responsibilities of the Committee. The following is a non-exclusive list of the responsibilities of the Committee. Committee members must consider this list as a partial guide, to be supplemented by common sense and prevailing professional norms:

- In addition to other meetings required or permitted by this Section 6, the Committee shall meet two (2) times per annum with the Independent Auditor and Management, including the Chief Financial Officer, to discuss issues arising within the purview of the Committee's responsibilities. The two (2) meetings shall occur as follows and, in addition to any other relevant topics, must include the following substantive discussions:
    - The first meeting shall occur before commencement of the annual audit. At such meeting the Independent Auditor shall report, in connection with the audit that is to occur, as follows: (i) an overview of the audit process; (ii) the deliverables; (iii) the timetable; and (iv) all significant auditing policies and practices to be used by the Independent Auditor in the course of the audit;
    - The second meeting shall occur at the end of the annual audit. The purposes of the meeting will be to (1) review the draft of the Independent Auditor's report on the financial statements (the "Auditor's Report"), and (2) review the draft of the Independent Auditor's report on internal control to Management (the "Management Letter"). With respect to the Auditor's Report, the Committee shall (i) review the draft financial statements; and (ii) discuss (a) issues raised by the Independent Auditor (including adjustments required by the Independent Auditor), (b) the Auditor's Report, (c) all alternative treatments of financial information (within GAAP) that the Independent Auditor has discussed with Management and the treatment preferred by the Independent Auditor, (d) ramifications of such alternative treatments, and (e) other material written communications between the Independent Auditor and Management, including the Auditor's Report. With respect to the Management Letter, the Committee shall review the draft Management Letter (including, where applicable, internal control matters, material corrections, and any unadjusted differences), and Management's response to the draft.
- The Committee may, but shall not be required to, convene additional meetings as it deems necessary or advisable.
- The Committee and the Independent Auditor shall annually obtain from Management written representations regarding Management's responsibility for the integrity of the control and financial reporting systems and processes of the Corporation, and Management's belief about the quality of such controls and financial reports.

- The Committee shall report at least annually to the Board of Directors and, in general, shall act as a liaison between the Board of Directors and the Independent Auditor.
- The Committee members shall be reasonably available to provide guidance to the Independent Auditor and the IA Group, if any, and to provide advice to the employees and officers of the Corporation.
- Every four years, the Committee shall recommend to the Board of Directors for its approval the selection of an Independent Auditor. The Independent Auditor so recommended shall meet the criteria for independence as set forth in Appendix 3 hereto. The Committee, with the help of the Corporation's employees, will be responsible for carrying out the procurement process and such process shall conform to the Corporation's procurement requirements.
- The Committee shall from time to time look into the industry norm for appropriate compensation for independent auditors and shall regularly review the compensation of the Independent Auditor to ascertain whether or not it is reasonable.
- The Committee shall review all "management internal control letters" addressed to the Corporation, including but not limited to the Management Letter. The Committee shall review all interim financials, the annual financials presented for audit, and the audited annual financials.
- The Committee, at least once annually, shall review with Management, including the Chief Financial Officer, and the Independent Auditor, the adequacy of the Corporation's internal control procedures and accounting and auditing procedures generally. The Committee shall review Management's response to the comments, if any, of the Independent Auditor with respect to these procedures and practices.
- The Committee shall meet at least annually with the Independent Auditor, at a location designated by the Committee and outside the presence of Management, to discuss any issues arising within the purview of the Committee's responsibilities.
- The Committee shall meet at least annually with Management, outside of the presence of the Independent Auditor, to discuss Management's evaluation of the work performed by the Independent Auditor and the appropriateness of its fees.
- The Committee, when it deems necessary, shall investigate suspected or potential improprieties in bookkeeping, record retention or disclosure of financial information of the Corporation. The Committee shall do the foregoing in consultation with counsel.
- The Committee shall monitor the professional staff of the Independent Auditor.
- The Committee shall review changes in accounting principles or auditing practices that had or are expected to have a significant impact on the preparation of financial statements.

- The Committee shall meet with the IA Group, if any, as required in order to discharge its responsibility to oversee the IA Group and shall review any report and recommendation by the IA Group.
- When it deems advisable, the Committee shall recommend to the Board of Directors the following:
    - entering into Professional Contracts for the purpose of securing specific studies and reports, including non-audit services from the Independent Auditor, and
    - including audited financials in any required public financial disclosures or regulatory filings.
- When it deems advisable, the Committee shall recommend to Management and the Board changes to this Charter and to the charter (if any) of the IA Group (if any), all in accordance with best practices and accounting standards. From time to time the Committee shall also review the adequacy of the internal staffing of the IA Group (if any) and recommend to Management and the Board of Directors any changes that it may deem necessary as a result of such review.
- The Committee shall cause minutes to be prepared for all of its meetings and shall review such minutes for accuracy and thereafter shall approve such minutes.

APPENDICES – *REQUIREMENTS*

Appendix 1 – Requirements as to the work of the Independent Auditor.

The Independent Auditor may not, while acting in the role of external auditor, provide non-audit services to the Corporation without the previous written consent of the Committee. Examples of non-audit services are: bookkeeping or other services related to the accounting records or financial statements of the Corporation; financial information systems design and implementation; appraisal or valuation services, fairness opinions or contribution-in-kind reports; actuarial services; internal audit outsourcing services; management functions or human services; broker or dealer, investment advisor, or investment banking services; and legal services and expert services unrelated to the audit.

Appendix 2 – Requirements as to the independence of members of the Audit Committee.

An "independent member" shall mean a person who:

(a) is not, and in the past two years has not been, employed by the Corporation or an affiliate of the Corporation in an executive capacity;

(b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than $15,000 for goods and services provided to the Corporation or an affiliate or received any other form of financial assistance valued at more than $15,000 from the Corporation or an affiliate;

(c) is not a relative of an executive officer or employee in an executive position of the Corporation or an affiliate; and

(d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or other similar actions of the Corporation or an affiliate.

For purposes of the foregoing, an "affiliate" is any person that controls, is controlled by, or is under common control with the Corporation.

Appendix 3 – Requirements as to the independence of the Independent Auditor.

The Independent Auditor must satisfy the following conditions: (i) an "audit partner" shall not have performed, for each of the previous five fiscal years preceding the audit year, audit services to the Corporation; and (ii) an "executive" of the Corporation shall not have been employed, for the twelve months preceding commencement of the audit, by the Independent Auditor if he/she participated in any capacity in the audit of the Corporation during the one year period preceding the initiation of the audit. As used herein: “audit partner” shall mean the lead (or coordinating) audit partner (having responsibility for the audit), and the audit partner responsible for reviewing the audit; “executive” shall mean the chief executive officer, chief financial officer, controller, chief accounting officer, and any other person serving in an equivalent position for the Corporation.

Exhibit E

PROJECT SUMMARY

The Young Men's and Young Women's Hebrew Association, d/b/a The 92nd Street Y ("92NY"), is a New York not-for-profit corporation which is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). 92NY is a community and cultural center that offers programming in the performing and visual arts, literature and culture, adult and children's education, health and fitness, and Jewish life. 92NY is seeking approximately $60,000,000 in tax-exempt qualified 501(c)(3) bonds issued pursuant to section 145 of the Code (the "Bonds"). Proceeds of the Bonds, together with other funds available to 92NY, will be used as part of a plan of finance: to (i) refinance the approximately $4,000,000 outstanding principal balance of a taxable loan, the proceeds of which were used to finance a portion of the cost of renovating two interconnected buildings comprising an aggregate approximately 266,728 square foot twelve-floor facility plus roof located on an approximately 30,723 square foot parcel of land located at 1381 and 1395 Lexington Avenue, New York, New York (the "Facility"); (ii) finance the cost of effecting key infrastructure needs of the Facility including (a) the renovation of multi-purpose rooms, early childhood and administrative facilities, the art center, the senior center, the center for Jewish life, and building operations, including improved layouts, new finishes, acoustic updates, and new energy-efficient lighting; (b) the repair and upgrade of the Facility façade, upgrades to the central fire alarm systems, conversion of building heating from steam to hot water, new HVAC and electrical power distribution, elevator modernization and upgrades to information technology, audiovisual and security systems; (c) Facility accessibility upgrades; (d) relocation of the Facility entrance on Lexington Avenue, sidewalk renovation at the new building entrance, and new ramps; and (e) protective Facility design measures; and (iii) pay for certain costs related to the issuance of the Bonds. 92NY will continue to own and operate the Facility as a community and cultural center.

Project Locations

1381 and 1395 Lexington Avenue
New York, New York 10128

Actions Requested

- Bond Approval and Authorizing Resolution.
- Adopt a SEQRA determination that the Project is a Type II action, which will not have a significant adverse effect on the environment.

Anticipated Closing

Fall 2024

Impact Summary

Employment	
Jobs at Application:	409
Jobs to be Created at Project Location (Year 3):	20
Total Jobs (Full-Time Equivalents)	**429**
Projected Average Hourly Wage (Excluding Principals)	**$51.71**
Highest Hourly Wage/Lowest Hourly Wage	$204.25 / $38.46
Construction Jobs to be Created (Full-Time Equivalent):	396

Sophie King, SIG
Jill Braverman, LGL

Hawkins Delafield & Wood LLP
Project Number - 10978

The Young Men's and Young Women's Hebrew Association

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years @6.25%)	$16,038,629
One-Time Impact of Renovation	$2,294,997
Total Impact of Operations and Renovation	**$18,333,626**
Additional Benefit from Jobs to be Created	$609,137

Estimated Cost of Benefits Requested: New York City	
NYC Forgone Income Tax on Bond Interest	$149,899
Corporation Financing Fee	($325,000)
Total Cost to NYC Net of Financing Fee	**($175,101)**

Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Job in Year 3	($408)
Estimated City Tax Revenue per Job in Year 3	$44,156

Estimated Cost of Benefits Requested: New York State	
NYS Forgone Income Tax on Bond Interest	$563,951
Total Cost to NYS	**$563,951**
Overall Total Cost to NYC and NYS	**$388,850**

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Tax-Exempt Bond Proceeds	$60,000,000	65%
Capital Campaign	$31,800,000	35%
Total	**$91,800,000**	**100%**

Uses	Total Amount	Percent of Total Costs
Construction Hard Costs	$60,000,000	65%
Construction Soft Costs	$23,000,000	25%
Closing Fees	$800,000	1%
Contingency	$8,000,000	9%
Total	**$91,800,000**	**100%**

Fees

	Paid At Closing	On-Going Fees (NPV, 10 Years)
Corporation Fee	$325,000	
Bond Counsel	Hourly	
Annual Corporation Fee	$1,250	$9,092
Bond Trustee Acceptance Fee	$750	
Annual Bond Trustee Fee	$750	$5,455
Trustee Counsel Fee	$8,000	
Total	$335,750	$14,547
Total Fees	**$350,297**	

The Young Men's and Young Women's Hebrew Association

Financing and Benefits Summary

Stifel, Nicolaus & Company, Incorporated will serve as underwriter for the Bonds, which are expected to receive an investment grade rating and will be sold through a public offering. The Bonds will be issued as tax-exempt bonds totaling approximately $60,000,000 with a bullet maturity expected to mature at approximately 10 years but not to exceed 16 years. The Bonds will be subject to optional and mandatory redemption, including redemptions with capital campaign proceeds. The Bonds are expected to bear interest at a fixed rate of 3.25%. The Bonds will be secured by a pledge and first security interest on the gross revenues of 92NY. There is an expected debt service coverage ratio of 6.52x for Fiscal Year 2026, based on a calculation of 92NY's net operating income, including existing pledge agreements that will be collected in future years, and the minimum required debt service payments provided by 92NY.

Applicant Summary

Founded in 1874, 92NY is a community and cultural center that aims to promote individual and family development and participation in civic life, within the context of Jewish values and American pluralism. 92NY reaches out beyond its core constituency of American Jews to serve people of diverse racial, religious, ethnic, and economic backgrounds. 92NY serves over one million people annually through a wide range of programs including concerts, theater, and dance performances; panel conversations with leaders in American culture and politics; classes in music, fine arts, and dance for children and adults; a parenting center, nursery school, afterschool programming, and summer camps; a health and fitness center; support groups for seniors; a co-living residence with nearly 300 rooms; Jewish education programming; and educational outreach programs serving thousands of New York City public school children. In 2021, 92NY launched Roundtable, an online learning platform with 15,000 participants across 370 courses in 2023.

Seth Pinsky, Chief Executive Officer

Mr. Pinsky serves as Chief Executive Officer of 92NY, where he has overseen its institutional rebrand, implementation of a $200 million master redevelopment plan, and reimagination of its programming since joining in 2020. Previously, Mr. Pinsky was an Executive Vice President at RXR Realty. Prior to that, Mr. Pinsky served as an advisor in the New York City Mayor's Office, overseeing Mayor Bloomberg's $20 billion plan to protect the city from climate change impacts. Earlier, from 2008 to 2013, Mr. Pinsky was President of the New York City Economic Development Corporation. Mr. Pinsky started his career as an associate at Cleary, Gottlieb, Steen & Hamilton and analyst at James D. Wolfensohn Inc. Mr. Pinsky holds a Bachelor of Arts from Columbia University and a J.D. degree from Harvard Law School.

Kirk Miller, Chief Financial Officer

Mr. Miller serves as Chief Financial Officer of 92NY. Prior to this role, Mr. Miller was Director of Finance and Technology at 92NY. Previously, Mr. Miller served as Senior Vice President of Product Leadership at Nielsen. While at Nielsen, he also held key financial and operational roles including CFO, Nielsen Business Media and CFO, Nielsen Media Research, International. Mr. Miller holds a Bachelor of Arts from the University of Maryland, College Park.

David A. Schwartz-Leeper, Secretary and General Counsel

Mr. Schwartz-Leeper serves as Secretary and General Counsel of 92NY. Previously, Mr. Schwartz-Leeper was Counsel to the international law firm Paul, Weiss, Wharton, Rifkind and Garrison, LLP. Prior to that, Mr. Schwartz-Leeper was General Counsel and Senior Vice President at Nielsen. Earlier, Mr. Schwartz-Leeper was a partner at the law firm Coudert Brothers, where he had extensive experience in antitrust and other complex commercial litigation. Mr. Schwartz-Leeper holds a Bachelor of Arts from the University of Colorado, Boulder, and a J.D. degree from New York University School of Law.

Jody Gottfried Arnhold, Board Chair

Ms. Gottfried Arnhold serves as Chair of the 92NY Board. Ms. Gottfried Arnhold is a leading dance educator and advocate, having founded the Dance Education Laboratory at 92NY, served as a dance teacher in New York City Public Schools for 25 years, and created the Arnhold Graduate Dance Education Program at Hunter College. She also serves on the Board of Directors at Lincoln Center, Ballet Hispánico, and Hunter College Foundation. Ms. Gottfried Arnhold is a Director of Arnhold Foundation, Harkness Foundation for Dance, and Mulago Foundation. She is also

Chair of the Hunter College Dance Advisory Board and serves on the Dance/NYC Advisory Committee, NYC Department of Education (NYCDOE) Arts Committee to the Panel on Educational Policy, and Co-Chair of the NYCDOE Committee to create the Blueprint for Teaching and Learning in Dance Grades: PreK-12. Ms. Gottfried Arnhold holds a Bachelor of Arts from the University of Wisconsin, Madison, and a Master of Arts in Dance Education from Teachers College, Columbia University.

Employee Benefits

92NY provides healthcare benefits, life insurance, a pension plan and access to additional retirement plans, commuter benefits, and tuition reimbursement.

SEQRA Determination

Type II action, which if implemented in compliance with environmental assessment recommendations, will not result in significant adverse environmental impacts.

Due Diligence

The Corporation conducted a background investigation of 92NY and its principals and found no derogatory information.

Compliance Check:	Not applicable
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Private School Policy:	Not applicable
Affordable Care Act:	Compliant
Bank Account:	Morgan Stanley
Bank Check:	Relationships are reported to be satisfactory
Supplier Checks:	Not applicable
Customer Checks:	Not applicable
Unions:	No derogatory information was found
Background Check:	No derogatory information was found
M/W/DBE Participation:	30% goal (construction)
Attorney:	Patrick O'Sullivan, Esq. Herrick Feinstein LLP 2 Park Avenue New York, New York 10016
Accountant:	Tami Radinsky Grant Thorton 757 Third Avenue, 9th Floor New York, New York 10017

The Young Men's and Young Women's Hebrew Association

Consultant: RJ Panda

Cumming Group
900 Third Avenue, 6th Floor
New York, New York 10022

Community Board: Manhattan, CB 8

Board of Directors

The Young Men's and Young Women's Hebrew Association

Project Pro Forma

Operating Pro Forma

(Dollars in thousands)

	2022 Actual	2023 Actual	2024 Unaudited	2025 Budget	2026 Projected	2027 Projected	2028 Projected	2029 Projected	2030 Projected
Support & Revenue									
Contributions, grants and events - Unrestricted	$ 29,600	$ 34,095	$ 21,200	$ 18,025	$ 20,000	$ 21,000	$ 22,500	$ 24,000	$ 25,750
Contributions - Restricted for Project (eligible to support debt service)	2,110	14,759	38,239	13,400	9,677	8,969	4,517	116	170
Program service, rental and other revenue	30,621	41,962	45,249	52,723	54,832	57,025	59,306	61,678	64,146
Investment income, net	145	241	-	-	-	-	-	-	-
Support & revenue before assets release from restrictions	**62,476**	**91,057**	**104,688**	**84,148**	**84,508**	**86,994**	**86,323**	**85,794**	**90,066**
Satisfaction of program releases	5,586	6,223	11,234	10,919	11,356	11,810	12,283	12,774	13,285
Total support and revenue	**68,062**	**97,280**	**115,922**	**95,067**	**95,864**	**98,804**	**98,605**	**98,568**	**103,350**
Expenses									
Program services*									
Arts Programming		22,031	14,820	12,587	13,028	13,484	13,956	14,444	14,950
Children and family		13,381	10,484	11,151	11,542	11,946	12,364	12,797	13,244
Community center		13,218	9,261	10,431	10,796	11,174	11,565	11,970	12,389
Round Table Digital Initiative		3,264	3,830	4,377	4,530	4,689	4,853	5,023	5,198
Bronfman Center for Jewish Life		2,057	1,883	2,044	2,115	2,189	2,266	2,345	2,427
Belfer Center for Innovation and Social Impact		1,680	1,074	1,306	1,352	1,399	1,448	1,499	1,552
Agency Wide Initiatives		1,040	961	1,028	1,063	1,101	1,139	1,179	1,220
Total program services	52,120	56,671	42,314	42,924	44,426	45,981	47,590	49,256	50,980
**audit presentation changed in FYE 2023. FYE 2022 breakdown of program expenses in this format is not available.*									
Supporting Services									
Management and general (unallocated)**	12,464	14,899	33,656	36,496	37,773	39,095	40,464	41,880	43,346
Fundraising	2,503	2,184	5,323	5,603	5,799	6,002	6,212	6,429	6,654
Total support services	**14,967**	**17,083**	**38,979**	**42,099**	**43,572**	**45,097**	**46,676**	**48,309**	**50,000**
***In unaudited, budget, and projected years, Management and General contains expenses that will be allocated to program services in the final audited financial statements*									
Additional Project Related Depreciation	-	-	-	-	-	-	1,694	1,728	1,762
Total Expenses	**67,087**	**73,754**	**81,293**	**85,023**	**87,998**	**91,078**	**95,960**	**99,293**	**102,743**
NET REVENUES INCLUDING RESTRICTED PLEDGES	**975**	**23,526**	**34,629**	**10,044**	**7,866**	**7,726**	**2,645**	**(725)**	**608**
Plus: Depreciation	4,331	4,050	4,500	5,000	5,100	5,202	7,000	7,140	7,283
NET REVENUES AVAILABLE FOR DEBT SERVICE	**5,306**	**27,576**	**39,129**	**15,044**	**12,966**	**12,928**	**9,645**	**6,415**	**7,890**
PRO FORMA DEBT SERVICE (Minimum Required)									
Interest				1,161	1,990	1,990	1,990	1,990	1,990
DEBT SERVICE COVERAGE RATIO (Minimum Required)				**12.96x**	**6.52x**	**6.50x**	**4.85x**	**3.22x**	**3.97x**
PRO FORMA DEBT SERVICE (Projected Elective Payments)									
Elective Principal Payments				-	-	-	4,500	2,400	3,500
Interest				1,161	1,990	1,990	1,990	1,841	1,761
TOTAL DEBT SERVICE	**-**	**-**	**-**	**1,161**	**1,990**	**1,990**	**6,490**	**4,241**	**5,261**
DEBT SERVICE COVERAGE RATIO (Projected Elective Payments)				**12.96x**	**6.52x**	**6.50x**	**1.49x**	**1.51x**	**1.50x**

Operating Assumptions

Contributions, grants, and events - Unrestricted	*Growing to $30 million by FYE 2030 due to additional investments in fundraising capabilities*
Contributions - Restricted	*Cash received which is restricted to the project and may be utilized to fund associated debt service. Based on actual cash receipts and current and in-progress pledge agreements.*
Program service, rental, and other revenues	*Growing at 4.0% annually*
Net assets released for program restrictions	*Growing at 4.0% annually*
Program services expenses	*Growing at 3.5% annually*
Supporting services expenses	*Growing at 3.5% annually*

The Young Men’s and Young Women’s Hebrew Association

Statement of Financial Position

	June 30 2023	June 30 2022	June 30 2021	YoY change FY22-FY23	YoY change FY21-FY22
Assets					
Cash	$ 15,468,000	$ 7,974,000	$ 8,379,000		
Accounts receivable, net	552,000	466,000	947,000		
Contributions receivable, net	68,066,000	48,676,000	51,496,000		
Investments	59,178,000	50,690,000	36,200,000		
Prepaid expenses and other current assets	1,718,000	1,474,000	1,194,000		
Total current assets	$ 144,982,000	$ 109,280,000	$ 98,216,000	33%	11%
Property and equipment, net - long-term	$ 46,071,000	$ 29,479,000	$ 30,070,000		
Total assets	$ 191,053,000	$ 138,759,000	$ 128,286,000	38%	8%
Liabilities and net assets					
Liabilities					
Accounts payable and accrued expenses	$ 18,603,000	$ 9,759,000	$ 9,248,000		
Security deposits payable	203,000	94,000	27,000		
Deferred revenue	13,905,000	12,896,000	9,741,000		
Total liabilities	$ 32,711,000	$ 22,749,000	$ 19,016,000	44%	20%
Net assets					
Net assets without donor restrictions	$ 23,648,000	$ 6,069,000	$ 4,726,000		
Net assets with donor restrictions	134,694,000	109,941,000	104,544,000		
	$ 158,342,000	$ 116,010,000	$ 109,270,000	36%	6%
Total liabilities and net assets	$ 191,053,000	$ 138,759,000	$ 128,286,000	38%	8%

92NY

The 92nd Street Y, New York
1395 Lexington Avenue, New York, NY 10128

July 10, 2024

Ms. Emily Marcus
Executive Director
Build NYC Resource Corporation
New York City Economic Development Corporation
One Liberty Plaza
New York, NY 10006

Re: Application for refinancing / new money through the Build NYC Resource Corp. / Not-For-Profit Bond Program on behalf of 92NY

Dear Ms. Marcus:

Founded in 1874 in Manhattan, The 92nd Street Y (92NY), has been serving its communities and the larger world for over 150 years. As a 501 (c) 3 nonprofit community and cultural center, 92NY seeks to create, provide, and disseminate programs of distinction that foster the physical and mental health and educational and spiritual growth of human beings throughout their lives. 92NY reaches out beyond its core constituency of American Jews to serve people of diverse racial, religious, ethnic, and economic backgrounds, seeking partnerships that strengthen its programs and broaden its influence. 92NY programming is grouped into five programming pillars, each focused on the specific needs of our community. This programming includes:

THE COMMUNITY CENTER

- **The Himan Brown Senior Program** fosters creativity, lifelong learning, wellness and community for adults over the age of 60. In addition, 92NY's program for cognitive strength and ability is customized for those with mild to moderate cognitive impairment.
- **The May Center for Health, Fitness & Sport** promotes the essential aspects of well-being through all stages of life with emphasis on exercise, healthful living and nutrition. One of the center's defining features is its emphasis on health care and disease prevention through programs such as Parkinson's, bone-building, autism, meditation, and post-natal exercise programs and partnerships with leading New York hospitals.
- **92NY Residence** has been a fixture of the upper east side since 1929, attracting individuals from all over the world to live atop one of the most exciting American cultural hubs. 92NY welcomes undergraduate students, graduate students, interns, travelling artists, and young professionals to be part of a supportive and welcoming co-living community.

CHILDREN AND FAMILY

Children and Family programming at 92NY promotes the healthy development and growth of children and families. From classes for parents-to-be, to extensive after-school activities, the center provides a supportive, non-competitive environment that encourages children and families to reach their maximum potential. Its programs include the award-winning parenting center, the nursery school, the 92NY after-school center, and nine summer camps.

92NY

The 92nd Street Y, New York
1395 Lexington Avenue, New York, NY 10128

CULTURE AND ARTS

- The prestigious **Talks series** brings the world's finest minds to 92NY's stages for discussions on a wide range of topics.
- **The Gilda and Henry Block School of Arts** is widely regarded as one of the country's top community-based art centers. The school comprises the School of Music (1917), the Harkness Dance Center (1935) and the Art Center (1930), which includes the ceramics center, the jewelry center and the fine art and design program. The school offers more than 400 classes a semester for all ages and all levels of expertise; from preschool to high school, from enthusiastic and emerging professionals to senior adults, all taught by a faculty of working professional artists.
- **The Tisch Center for Arts** produces and presents an ongoing series of internationally renowned musical and literary programs. Launched in 1936, the center's 92NY concerts are recognized as one of the world's foremost music presenters, with a focus on chamber music and solo recitals, music of the guitar, jazz and American songbook musical revues.
- **The Unterberg Poetry Center** is the nation's foremost center for the literary arts. Its renowned reading series features distinguished writers in all literary genres. The poetry center also has extensive educational programs for writers of all levels.
- 92NY is one of New York City's largest community arts education providers, creating in-depth programs, performances and talks for approximately 7,000 k-12 students and their teachers nationwide.
- **Adult Education programming** offers diverse growth, career development, humanities and language classes.

BRONMAN CENTER FOR JEWISH LIFE

The Bronfman Center for Jewish Life is at the core of 92NY's Jewish Life community. It provides a place for people of all ages and backgrounds to discover and follow pathways to meaningful, joyous and proud Jewish journeys. Offerings include Jewish learning talks and classes, Atid Jewish education for kids, the flagship introductory Judaism course Derekh Torah, and holiday celebrations in a variety of settings.

BELFER CENTER FOR INNOVATION AND SOCIAL IMPACT

The Belfer Center for Innovation & Social Impact is 92NY's social impact laboratory, creating scalable solutions to society's most pressing challenges. We do this by incubating new initiatives that build on 92NY's 150-year history as a center for culture, connection, and enrichment. Marquee programs include Share Our America, Women in Power, and the Newmark Civic Life Series. In 2012, GivingTuesday, a global movement that inspires hundreds of millions of people to give, collaborate, and celebrate generosity was born and incubated in the Belfer Center.

The 92nd Street Y, New York
1395 Lexington Avenue, New York, NY 10128

In addition, on April 1, 2022, 92NY launched Roundtable, a new division designed to capitalize on and accelerate the virtual programming momentum achieved by the adult education division during the pandemic. Through Roundtable, 92NY established a platform and online destination for adult continuing education designed to reach a global audience through engagement in more comprehensive areas of study.

In the application plan of finance, 92NY proposes the issuance of Series 2024 tax exempt bonds in the estimated amount of $54 million and not to exceed $60 million to finance (i) the refinancing the 92NY's taxable loan, (ii) the renovation of the 92NY's main campus located at 1395 Lexington Avenue, New York, and (iii) costs of issuance. But for lower tax-exempt interest rate and other ancillary benefits offered by a Build NYC financing, 92NY would not be in a position to either realize debt service savings by refinancing its taxable loan or to affordably finance the renovation of its facilities. Equally important, the savings allow 92NY 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 92NY's application. The 92NY team looks forward to working with you.

Very truly yours,

/s/ Kirk Miller

Kirk Miller
Chief Financial Officer

Exhibit F

Resolution approving the financing and refinancing of a certain facility for The Young Men's and Young Women's Hebrew Association, d/b/a The 92nd Street Y, and authorizing the issuance and sale of approximately $60,000,000 (The Young Men's and Young Women's Hebrew Association Project), Series 2024 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 Young Men's and Young Women's Hebrew Association, d/b/a The 92nd Street Y, a New York not-for-profit corporation (the "Applicant"), entered into negotiations with officials of the Issuer with respect to (i) refinancing the approximately $4,000,000 outstanding principal balance of a taxable loan, the proceeds of which were used to finance a portion of the cost of renovating two interconnected buildings comprising an aggregate approximately 266,728 square foot twelve-floor facility plus roof located on an approximately 30,723 square foot parcel of land located at 1381 and 1395 Lexington Avenue, New York, New York (the "Facility"); (ii) financing the cost of effecting key infrastructure needs of the Facility including (a) the renovation of multi-purpose rooms, early childhood and administrative facilities, the art center, the senior center, the center for Jewish life and building operations, including improved layouts, new finishes, acoustic updates, and new energy-efficient lighting; (b) the repair and upgrade of the Facility façade, upgrades to the central fire alarm systems, conversion of building heating from steam to hot water, new HVAC and electrical power distribution, elevator modernization and upgrades to information technology, audiovisual and security systems; (c) Facility accessibility upgrades; (d) relocation of the Facility entrance on Lexington Avenue, sidewalk renovation at the new building entrance and new ramps; and (e) protective Facility design measures; and (iii) paying for certain costs related to the issuance of the Bonds (as defined below) (collectively, the "Project"), which Facility will continue to be owned and operated by the Applicant as a community and cultural center; 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, including the following: that the Applicant is a not-for-profit organization founded in 1874 as a community and cultural center seeking to create, provide and disseminate programs that foster the physical and mental health and educational and spiritual growth of people of all ages; that the Applicant has approximately 409 employees at the Facility and expects to hire approximately 20 new employees after the Project is completed; that the financing and refinancing of the Project costs with the Issuer's financing assistance will allow the Applicant to affordably complete the renovation costs of the Facility and refinance its taxable loan which will provide savings to the Applicant so that it can focus its resources to growing its programs and academic offerings; 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 Revenue Bonds (The Young Men's and Young Women's Hebrew Association Project), Series 2024 in the aggregate principal amount of approximately $60,000,000 (or such greater principal amount not to exceed $66,000,000) (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 The Bank of New York Mellon, as trustee (the "Trustee"); and

WHEREAS, 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 and the Applicant, and the Applicant will execute a promissory note in favor of the Issuer (and endorsed by the Issuer to the Trustee) (the "Promissory Note") to evidence the obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Bonds are to be secured by a pledge and security interest in certain revenues of the Applicant pursuant to a Pledge and Security Agreement from the Applicant to the Trustee (the "Pledge and Security Agreement");

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 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 financing and refinancing will be effected 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 and refinancing of the Project, the issuance of the Bonds by 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 an amount not to exceed $66,000,000, 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 semiannually as to interest by check or wire transfer as provided in the Indenture, shall bear interest at fixed rates not to exceed 8.0%, shall be subject to optional 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 approximately 10 years, but not to exceed 16 years, following their date of issuance (such final interest rate, 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 hereinafter authorized.

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 Note to the extent set forth in the Loan Agreement and the Indenture hereinafter authorized. 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 Bond Fund, the Project Fund, 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 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. The payment of the principal of, redemption premium, if any, and interest on the Bonds will be secured pursuant to the Pledge and Security Agreement.

Section 5. The Bonds are authorized to be sold to Stifel, Nicolaus & Company, Incorporated or an affiliate thereof, as underwriter or placement agent (or such other or additional banking firm or firms as shall be approved by 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 Note to the 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, the Issuer and the Investment Bank, a Letter of Representation and Indemnity Agreement from the Applicant to the Issuer, the Trustee and the Investment Bank, 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 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. 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 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 and refinancing 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 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 and refinancing 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.

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

The Issuer has determined that the Project is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(2) "replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building, energy, or fire codes unless such action meets or exceeds any of the thresholds in section 617.4 of this Part."

Section 15. 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 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 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 Project and the Bonds.

Section 17. The Issuer recognizes that due to the unusual complexities of the financing and refinancing 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: September 24, 2024

THE YOUNG MEN'S AND YOUNG WOMEN'S
HEBREW ASSOCIATION

By: ___________________________
Name:
Title:

Accepted: __________ __, 2024

Exhibit G

AMENDED FINANCING PROPOSAL
BAY RIDGE PREPARATORY SCHOOL
MEETING OF SEPTEMBER 24, 2024

Build NYC Resource Corporation

Project Summary

Bay Ridge Preparatory School (the "School" or "Bay Ridge Prep"), 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"), a private co-educational, college preparatory school that provides an education for students in kindergarten through Grade 12, is seeking $29,850,000 in tax-exempt bonds (the "Bonds"). As part of a plan of financing, proceeds from the Bonds will be used to: (i) refinance the $17,000,000 outstanding principal balance of a taxable loan that was funded in the same original amount of $17,000,000, the proceeds of which were used to (1) finance the acquisition of an approximately 1,890 square foot building located on an approximately 4,700 square foot parcel of land located at 7503 Shore Road, Brooklyn, New York 11209 ("Facility 1") and an approximately 25,000 square foot building located on an approximately 22,000 square foot parcel of land located at 7509 Shore Road, Brooklyn, New York 11209 ("Facility 2"), (2) finance a portion of the cost of the renovation of Facility 2 and (3) refinance existing indebtedness of the School which financed the purchase of an approximately 21,000 square foot building located on an approximately 10,940 square foot parcel of land located at 8101 Ridge Blvd, Brooklyn, New York 11209 ("Facility 3"); (ii) finance the cost of constructing, developing, and equipping Facility 1 into a an approximately 7,300 square foot facility; (iii) finance the remaining cost of developing, converting, furnishing, and equipping Facility 2; (iv) fund debt service reserve fund(s), if any; (v) fund capitalized interest; and (vi) pay for certain costs related to the issuance of the Bonds ((i-vi) collectively, the "Project"). The School will operate Facility 1 as its gymnasium and event center, which will serve 380 students in kindergarten through Grade 12 and will serve as a large gathering space for student and alumni activities. Renovations to Facility 1 will include the demolition of the current structure and construction of the new gymnasium facility. The School will operate Facility 2 as its Upper School, which will serve approximately 200 students in Grades 9 through 12. Renovations to Facility 2 will include the conversion of the current structure into a three-story educational facility, including classrooms, science labs, common areas, and private outdoor spaces as well as improvements to make the facility energy efficient. The School will continue to operate Facility 3 as the Lower and Middle School, which serves approximately 170 students in kindergarten through Grade 8.

Project Location

Facility 1	Facility 2	Facility 3
7503 Shore Road	7509 Shore Road	8101 Ridge Boulevard
Brooklyn, NY 11209	Brooklyn, NY 11209	Brooklyn, NY 11209

Actions Requested

- Amended Bond Approval and Authorizing Resolution.
- Adopt a negative SEQRA declaration for Facility 1 and Facility 2 aspects of the Project, pursuant to the findings of the New York City Board of Standards and Appeals, attached to the Resolution as Exhibit A and a Type II determination for Facility 3, due to refinancing of outstanding debt.

Prior Action

- Bond Approval and Authorizing Resolution approved on July 23, 2024.
- Adopt a negative SEQRA declaration for Facility 1 and Facility 2 aspects of the Project, pursuant to the findings of the New York City Board of Standards and Appeals, attached to the Resolution as Exhibit A and a Type II determination for Facility 3, due to refinancing of outstanding debt.
- Approval of a partial waiver of Section VII of the Build NYC Private Schools Policy.

Anticipated Closing

Fall 2024

Leyla Arcasoy, SIG
Jill Braverman, LGL

Katten Muchin Rosenman LLP
Project Number - 10807

Bay Ridge Preparatory School

Impact Summary

Employment	
Jobs at Application:	50.5
Jobs to be Created at Project Location (Year 3):	7
Total Jobs (full-time equivalents)	**57.5**
Projected Average Hourly Wage (excluding principals)	**$65.15**
Highest Wage/Lowest Wage	**$223.52/$40.00**
Construction Jobs to be Created (full-time equivalent)	110

Estimated City Tax Revenues	NPV 35 years @ 6.25%
Impact of Operations (NPV 35 years at 6.25%)	$9,292,873
One-Time Impact of Renovation	$709,069
Total impact of operations and renovation	**$10,001,942**
Additional benefit from jobs to be created	**$1,146,349**

Estimated Cost of Benefits Requested: New York City	NPV 35 years @ 6.25%
MRT Benefit	$485,063
NYC Forgone Income Tax on Bond Interest	$321,353
Corporation Financing Fee	($236,375)
Total Cost to NYC Net of Financing Fee	**$570,041**

Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Job in Year 3	$9,914
Estimated City Tax Revenue per Job in Year 3	$193,883

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	$350,738
NYS Forgone Income Tax on Bond Interest	$1,208,997
Total Cost to NYS	**$1,559,735**
Overall Total Cost to NYC and NYS	**$2,129,776**

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	$29,850,000	80%
Equity	$7,587,000	20%
Total	**$37,437,000**	**100%**

Uses	Total Amount	Percent of Total Costs
Refinancing of Acquisition	$11,540,000	30.8%
Hard Costs	$20,856,950	55%
Soft Costs	$2,468,050	7%
FF&E and M&E	$75,000	0.2%
Closing Fees	$2,497,000	7%
Total	**$37,437,000**	**100%**

Bay Ridge Preparatory School

Fees

	Paid At Closing	On-Going Fees (NPV, 35 Years)
Corporation Fee	$236,375	
Bond Counsel	$220,000	
Annual Corporation Fee	$1,250	$17,604
Bond Trustee Acceptance Fee	$1,500	
Annual Bond Trustee Fee	$750	$10,562
Trustee Counsel Fee	$8,000	
Total	$467,875	$28,166
Total Fees	$496,041	

Financing and Benefits Summary

It is expected that the Bonds will be issued in the aggregate amount of $29,850,000 for a term of 35 years pursuant to a limited public offering with Stifel, Nicolaus & Company, Inc. acting as the underwriter. Interest only will be paid for the first three years followed by monthly principal and interest payments over the remainder of the 35-year term. It is anticipated that the Bonds will bear interest at a fixed rate set at approximately 5.14%. The Bonds will be secured by a perfected security interest in the School's gross revenues, a first mortgage lien on each of Facility 1, Facility 2 and Facility 3, as well as a first assignment of leases and rents encumbering Facility 1, Facility 2 and Facility 3. Based on an analysis of the School's projected operating income, there is an expected debt service coverage ratio of 2.01x commencing in Fiscal Year 2028, from which Fiscal Year the School will begin making monthly interest and principal payments on the Bonds.

Amended Authorization

On July 23, 2024, the Corporation's Board of Directors approved an Authorizing Resolution for the Project. Subsequent to the adoption of the Authorizing Resolution, the Project's financing structure changed significantly. Originally, the Bonds were expected to be issued in two-tax exempt series in the same aggregate amount of $29,850,000. The Series 2024A Bonds were expected to be issued in the amount of $17,000,000 and expected to be directly purchased by ConnectOne Bank to refinance an existing term loan with ConnectOne Bank. The Series 2024B Bonds were expected to be issued in the aggregate amount of $12,850,000 for a term of 30 years pursuant to a limited public offering with Stifel, Nicolaus & Company, Inc. acting as the underwriter. The financing terms have changed to a limited public offering on financing terms described above.

BAY RIDGE PREP

Ms. Emily Marcus
Executive Director
Build NYC Resource Corporation
New York City Economic Development Corporation
110 William Street
New York, NY 10006

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

Dear Ms. Marcus:

Bay Ridge Preparatory School ("Bay Ridge Prep," "BRP," or "the School") is an independent, co-educational, college preparatory day school enrolling students in kindergarten through twelfth grades. The School is located in Brooklyn, New York, at two locations, the Lower and Middle Schools and the Upper School, which are approximately 0.7 miles apart. The School was founded by Dr. Charles Fasano and Dr. Michael Dealy in 1998 to provide a fresh approach to education. Bay Ridge Prep explicitly teaches skills that build emotional and social intelligence to help students develop into compassionate and confident citizens. The School's philosophy emphasizes innovation, creativity, practical application, social responsibility, athletics and the arts. The School is incorporated as a non-profit educational organization under Section 501(c)(3) of the Internal Revenue Code.

Bay Ridge Prep is one of the few schools in the Greater New York community providing a K-12 program which explicitly teaches skills that help build social and emotional intelligence. Research has demonstrated the effectiveness of these skills in helping students create healthy and satisfying relationships in and outside of school. Additionally, the School maintains a differentiated academic program serving the needs of three categories of students who differ in their need for academic assistance. For the current academic year, 183 students are enrolled in the School's mainstream program and 174 students are enrolled in one of two programs for children with learning disabilities.

In 2021, the School purchased a new facility located at 7509 Shore Road and 7503 Shore Road in Brooklyn. The School has now completed a gut renovation of the main building on this property, providing new classrooms to enhance project based learning, new spaces to provide support for smaller group instruction, as well as modern specialized classroom and lab space. This renovation has enabled Grades 9-12 to move into the new facility that is just steps away from waterfront parkland. Music space, science labs and private outdoor spaces that are part of the main Shore Road Building will be made available for use by Lower and Middle School students to expand the teaching and learning opportunities for Grades K-8. In Phase II of the project, a residential building on the 75th Street/Bay Ridge Parkway side of the property will be removed to accommodate construction of a new gymnasium and additional classrooms that will connect with the main building. The gymnasium and additional classrooms are anticipated to open during the 2025-2026 school year.

8101 Ridge Boulevard, Brooklyn, New York 11209 | 718.833.9090

bayridgeprep.org

In the plan of finance, BRP proposes the issuance of Series 2024 tax-exempt bonds in the estimated amount of $29.85 million. $17.3 million will refinance the School's existing taxable debt which provided $14.05 million towards the contemplated project ($8.25 million for building purchase and $5.8 million towards construction). Additionally, the new financing will include an incremental $10.1 million towards construction. But for lower tax exempt interest rate and other ancillary benefits offered by a Build NYC financing, BRP would not be in a position to realize debt service savings by refinancing the taxable loan or to affordably finance the project. Equally important, the savings allow BRP 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 Bay Ridge Preparatory School's application. The BRP team looks forward to working with you.

Very truly yours,

/s/ ___________________________

Dr. Charles Fasano
Executive Director

Exhibit H

AMENDING RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BUILD NYC RESOURCE CORPORATION REVENUE BONDS (BAY RIDGE PREPARATORY SCHOOL PROJECT), SERIES 2024 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 applicants, 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 projects within the City 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 industry in the City, and lessening the burdens of government and acting in the public interest; and

WHEREAS, on July 23, 2024, the Issuer adopted a resolution (the "Initial Resolution") in connection with the Project (hereinafter defined) for the benefit of the Applicant (hereinafter defined); and;

WHEREAS, pursuant to the Initial Resolution, the Issuer authorized the issuance of two-tax exempt series of bonds, the first series authorized to be issued in the aggregate amount of $17,000,000 and expected to be directly purchased by ConnectOne Bank to refinance an existing term loan with ConnectOne Bank and the second series authorized to be issued in the aggregate amount of $12,850,000 and expected to be offered and sold by the Underwriter (hereinafter defined) pursuant to a limited public offering; and

WHEREAS, subsequent to the adoption of the Initial Resolution, the Applicant significantly changed the Project's financing structure; and

WHEREAS, Bay Ridge Preparatory School (the "Applicant"), 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"), entered into negotiations with officials of the Issuer with respect to (i) the refinancing of the $17,000,000 outstanding principal balance of a taxable loan that was funded in the same original amount of $17,000,000, the proceeds of which were used to (1) finance the acquisition of an approximately 1,890 square foot building located on an approximately 4,700 square foot parcel of land located at 7503 Shore Road, Brooklyn, New York 11209 ("Facility 1") and an approximately 25,000 square foot building located on an approximately 22,000 square foot parcel of land located at 7509 Shore Road, Brooklyn, New York 11209 ("Facility 2"), (2) finance a portion of the cost of the renovation of Facility 2 and (3) refinance existing indebtedness of the Applicant which financed the purchase of an approximately 21,000 square foot building located on an approximately 10,940 square foot parcel of land located at 8101 Ridge Blvd, Brooklyn, New York 11209 ("Facility 3"); (ii) the financing of the cost of constructing, developing, and equipping Facility 1 into an approximately 7,300 square foot facility; (iii) financing the remaining cost of developing, converting, furnishing, and equipping Facility 2; (iv) funding debt service reserve fund(s), if any; (v) funding capitalized interest; and (vi) paying for certain costs related to the issuance of the Bonds (hereinafter defined) ((i)-(vi) collectively, the "Project"); and

WHEREAS, in connection with the Project, the Applicant will operate Facility 1 as its gymnasium and event center, which will serve 380 students in kindergarten through grade twelve and will serve as a large gathering space for student and alumni activities; renovations to Facility 1 will include the demolition of the current structure and construction of the new gymnasium facility; the Applicant will operate Facility 2 as its Upper School, which will serve approximately 200 students in grades nine through twelve; renovations to Facility 2 will include the conversion of the current structure into a three-story educational facility, including classrooms, science labs, common areas, and private outdoor spaces as well as improvements to make the facility energy efficient; the Applicant will operate Facility 3 as the Lower and Middle School, and will serve approximately 170 students in kindergarten through grade eight; 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 financing of the Project with the Issuer's financing assistance will provide savings to the Applicant which will allow it to redirect financial resources to further its capacity to teach skills that build emotional and social intelligence to help students develop into compassionate and confident citizens; and that, therefore, the Issuer's financing 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 refinancing and financing of 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 (Bay Ridge Preparatory School Project), Series 2024 in the aggregate principal amount of approximately $29,850,000 (or such greater amount not to exceed such stated amount by more than 10%, as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination")) (the "Bonds"), 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 Applicant pursuant to a Loan Agreement (the "Loan Agreement") to be entered into between the Issuer and the Applicant, 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 may be secured by one or more leasehold and/or fee mortgages from the Applicant, as mortgagor, to the Issuer and the Trustee, as mortgagees, pursuant to one or more Mortgage and Security Agreements with respect to the certain of the Applicant's facilities (collectively, the "Mortgage"), which Mortgage may be assigned by the Issuer to the Trustee pursuant to one or more Assignment of Mortgage and Security Agreements from the Issuer to the Trustee (collectively, the "Assignment of Mortgage"); and

WHEREAS, the Bonds may also be secured by, if determined by the Certificate of Determination: (i) a collateral assignment of leases and rents (the "Assignment of Leases and Rents"); (ii) the revenues of the Applicant pursuant to an Account Control Agreement among the Applicant, a depository bank, and the Trustee (the "Account Control Agreement"); and (iii) an Assignment of Contracts, Licenses and Permits (the "Assignment of Contracts") from the Applicant to the Trustee; and

WHEREAS, the Applicant retained Stifel, Nicolaus & Company, Inc. to serve as underwriter (the "Underwriter") in connection with the sale of the Bonds to the purchasers of the Bonds; and

WHEREAS, the Issuer, the Applicant and the Underwriter will enter into a bond purchase agreement (the "Bond Purchase Agreement") in connection with the sale of the Bonds; and

WHEREAS, it is necessary in connection with the offering and sale of the Bonds for the Underwriter to distribute a Preliminary Limited Offering Memorandum and a Limited Offering Memorandum (collectively, the "Offering Memorandum") relating to the Bonds;

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 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 by 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 and as tax-exempt bonds, shall be dated as provided in the Indenture, shall be issued as one or more serial and/or term bonds, and in an aggregate amount of approximately $29,850,000 (or such greater amount not to exceed such stated amount by more than 10% as may be determined by the Certificate of Determination), 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 initially at fixed interest rates not to exceed ten percent (10.00%) (such final rate to be determined by the Certificate of Determination), shall be subject to 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, 2059 (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 hereinafter authorized.

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 of the Applicant to the extent set forth in the Loan Agreement and the Indenture hereinafter authorized. 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 Bond Fund, the Project Fund, the Debt Service Reserve Fund (if any) 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, and neither the State of New York 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 may be further secured by the Mortgage, and, if determined by a Certificate of Determination, the Assignment of Leases and Rents, the Account Control Agreement and/or the Assignment of Contracts.

Section 5. The Bonds are hereby authorized to be sold by the Underwriter, at a purchase price as shall be approved by the Certificate of Determination. The Issuer hereby authorizes the distribution of the Offering Memorandum relating to the Bonds.

Section 6. The execution and delivery of the Indenture, the Loan Agreement, the endorsement of the Promissory Note to the Trustee, the Mortgage, the Assignment of Mortgage, the Offering Memorandum, the Bond Purchase Agreement and the Tax Certificate 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 Document. The execution and delivery of each such Issuer Document 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 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 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 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 Bonds.

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 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 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 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 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 issuance of the Bonds and, to the extent required, an exemption from mortgage recording taxes.

Section 12. 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 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 13. This Resolution constitutes "other similar official action" under the provisions of Treasury Regulation 1.150-2 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.

Section 14. SEQRA Findings Relating to Facility 1 and Facility 2

The New York City Board of Standards and Appeals ("BSA") assumed Lead Agency status for the review of the Applicant's application for a variance to permit enlargement of a Use Group 3 school contrary to regulations for front yard depth at Facility 1 and Facility 2 and determined that the proposed actions to be Unlisted actions pursuant to 6 NYCRR, Part 617.2.

A Final Environmental Assessment Statement ("FEAS"; CEQR No. 24BSA004K) was prepared pursuant to the methodology of the 2021 CEQR Technical Manual.

The Issuer finds that, with respect to the findings and resolution of the BSA with respect to the proposed actions at 7503 Shore Road and 7509 Shore Road, Brooklyn, New York, the FEAS (CEQR No. 24BSA004K) has made a thorough and comprehensive analysis of the relevant areas of concern under the SEQRA and its implementing regulations, considered a reasonable range of alternatives, appropriately assessed the potential environmental and land use impacts of the FEAS Proposed Action, identified measures to avoid or mitigate adverse impacts to the extent practicable and set forth appropriate conditions to be imposed as conditions of approval.

Furthermore, the Issuer has carefully considered the Lead Agency's Negative Declaration and finds that this document is an accurate reflection of the FEAS findings related to the Issuer Proposed Actions. The Board of Directors of the Issuer hereby adopts and incorporates by reference the Lead Agency's Resolution and Findings Statement dated May 21, 2024, and filed on June 28, 2024, attached hereto as Exhibit A (including the conditions therein).

Further, an updated Phase I Environmental Site Assessment ("Phase I") was completed for 7503 Shore Road and 7509 Shore Road, Brooklyn, New York, in July 2024. The Phase I did not identify any current, historic, or connected Recognized Environmental Conditions ("RECs"). It found that at 7503 Shore Road, there is a possibility of Asbestos Containing Materials ("ACM") and Lead Based Paint ("LBP") on site. It is recommended that during demolition, ACM, LBP, and other regulated materials are properly handled and disposed of in accordance with applicable regulations.

Having considered the FEAS and the Lead Agency's Negative Declaration, the Issuer certifies that:

(i) The requirements of SEQRA, including 6 NYCRR § 617.2 have been met and fully satisfied.

(ii) The Issuer has considered the relevant environmental assessment, facts and conclusions disclosed in the FEAS and in the Lead Agency's Negative Declaration and weighed and balanced relevant environmental assessment with social, economic, and other considerations.

SEQRA Findings Relating to Facility 3

The Issuer has determined that the proposed action associated with Facility 3, located at 8101 Ridge Boulevard, Brooklyn, New York, 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 15. 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.

Section 16. This Resolution shall take effect immediately and shall amend and/or supplement the Initial Resolution to the extent set forth herein.

Section 17. The Initial Resolution is in all other respects ratified and confirmed.

Adopted: September 24, 2024

Accepted: September __, 2024

BAY RIDGE PREPARATORY SCHOOL

By: ______________________________
Name:
Title:

<u>Exhibit A</u>

NYC Board of Standards and Appeals Resolution

Note. —This resolution is final but subject to formal revision before publication in the Bulletin. Please notify the General Counsel of any typographical or other formal errors so that corrections may be made before the Bulletin is published.

BOARD OF STANDARDS AND APPEALS

MEETING OF: **May 21, 2024**
CALENDAR NO.: **2023-48-BZ**
PREMISES: **7509 Shore Road, Brooklyn**
Block 5936, Lots 16 and 34

ACTION OF BOARD — Application granted on condition.

THE VOTE —
Affirmative: Chair Chanda, Vice-Chair Scibetta, Commissioner Ottley-Brown, Commissioner Sheta, and Commissioner Yoon 5
Negative: 0

THE RESOLUTION —

The decision of the Department of Buildings ("DOB"), dated July 12, 2023, acting on Alteration CO Application No. B00879256-I1, reads in pertinent part:

Requesting final determination of the following objections.

1. Proposed enlargement does not comply with front yard requirement of ZR 24-34…
2. Proposed enlargement does not comply with height regulations of ZR 114-22….

This is an application for a variance, pursuant to Z.R. § 72-21, to permit the enlargement of a Use Group ("UG") 3 school contrary to regulations for front yard depth (Z.R. § 24-34). This application is brought on behalf of Bay Ridge Prep (the "School").

A public hearing was held on this application on November 28, 2023, after due notice by publication in *The City Record*, with continued hearings on June 23, 2024 and February 27, 2024, and then to decision on May 21, 2024. Vice-Chair Scibetta and Commissioner Yoon performed inspections of the site and surrounding neighborhood.

Community Board 10, Brooklyn, recommends approval of this application on condition that Bay Ridge Prep consider and explore options for adding more green space on the Shore Road side.

I.

The Premises are located at the southeast corner of the intersection of Shore Road and Bay Ridge Parkway, within an R4A zoning district and the Special Bay Ridge District, in Brooklyn. With approximately 174 feet of frontage along Shore Road, 125 feet of frontage along Bay Ridge Parkway, and 29,899 square feet of lot area, the Premises are currently improved with a vacant, three-story former rectory, a vacant two-story residence, also formerly used for the rectory, and a one-story, 1,185 square-foot, accessory garage.

III.

The applicant represents that it purchased the subject property for the purpose of consolidating its Upper School operations into a single location and plans to demolish the two-story residence and construct an enlargement to accommodate a double height gym at the cellar and first floor levels, and additional classrooms and offices on the second floor. Originally, the applicant proposed to enlarge the existing, three-story building from a rectory to a high school with a two-story addition containing a gymnasium and additional classrooms, requiring a waiver of the front yard provisions of Z.R. § 24-34 and the maximum building height provisions of Z.R. § 114-22(b). The applicant stated that the proposed enlarged portion of the building containing the gymnasium with classrooms above would be built to the street line on both Shore Road and Bay Ridge Parkway, in order to maximize the size of the gymnasium, resulting in front yards measuring 0′-0″ on both street frontages. Furthermore, the applicant represented that the proposed building would also comprise of an access ramp linking the roofs of the existing portion and the enlarged portion, and although the roof of the enlargement would comply with the 32-foot height restriction of Z.R. §114-22(b), an accessibility ramp connecting the existing building to the enlargement would extend above the maximum permitted building height and would not qualify as a permitted obstruction.

Additionally, the applicant noted that the proposed work would take place in a Phase 1 stage (from 2025-2026) followed by a Phase 2 (from 2027-2028) wherein the School would address its programmatic needs based on its anticipated enrollment. The applicant stated that Phase 1 would provide a gymnasium for physical education classes and after-school athletics, and Phase 2 would provide additional classrooms and offices to meet the needs of its Bridge and Achieve programs and allow for an increase in the number of students.

In response to Board comments, the applicant revised its proposal to reduce the encroachment of the enlargement into the front yard on Shore Road by three feet and to eliminate the open use on the roof of the enlargement and thus the need for an access ramp connecting the two roofs.

In the subject R4A zoning district, for a corner lot, Z.R. § 24-34 requires a minimum depth of 15 feet for front yards. Accordingly, the applicant seeks the relief requested herein.

IV.

The Zoning Resolution vests the Board with wide discretion to "vary or modify [its] provision[s] so that the spirit of the law shall be observed, public safety secured and substantial justice done," Z.R. § 72-21.

A.

First, the applicant submits that there are unique physical conditions inherent in the Premises — namely, its programmatic needs and the restrictive bulk regulations — that create practical difficulties or unnecessary hardship in complying strictly with applicable zoning regulations that are not created by general circumstances in the neighborhood or district. Here, the applicant states that it seeks this variance to provide an adequately sized gymnasium to provide a proper physical education ("PE") program with locker rooms and storage, classrooms, and other facilities as upon completion of the Phase 2 enlargement, the School would contain 9 classrooms, ranging in size from 528 square feet to 692 square feet, each capable of accommodating project-based learning for up to 18 students at a time.

First, the applicant describes the current structure of the School's programming: 1) The Upper School is currently located in a building owned by the Church of the Good Shepherd at 7420 Fourth Avenue, which contains an undersized 38 by 62-foot gymnasium. Specifically, the applicant notes that a high school regulation size basketball court is 50 feet wide and 84 feet long, according to standards set by the National Federation of State High School Associations ("NFSHA").The applicant argues that the narrowness of the existing gym presents an unsafe condition because the sidelines of the basketball court are inches from the walls, risking injury to students who could potentially slam into the walls during participation in athletic programs, and also lacks showers, locker rooms and storage for athletic equipment. As such, the applicant states that students currently change in the lavatories, thereby restricting other students' access to a bathroom during the periods between classes. Furthermore, the applicant claims that athletic equipment has been stored in the hallways, creating a fire hazard, but the proposed enlargement would contain a 119-foot-long and 51-foot-wide gymnasium, with an 84-foot-long and 44-1/2-foot-wide basketball court, allowing for clearance space of about 3 1/2 feet on the sidelines and about 5 feet and 6 feet on the baselines.

2) Next, the School provided a growth chart, showing that it anticipates a total enrollment of 202 students with a faculty and staff of 39 for the 2024-25 school year and 240 students and 44 faculty and staff during completion of Phase 2 during the 2027-28 school year. The applicant represents that, in addition to the current space being overcrowded, the School requires additional space to administer its Achieve and Bridge Programs, which assist students with diagnosed learning differences and those who need extra attention to study skills, organization, reading, and writing and is administered either in specialty sections of primary courses or in small group work and individualized instruction, and upon completion of the Phase 2 enlargement, the proposed building would have 8 dedicated spaces for psychologists and speech and language therapists. Moreover, the applicant posits that the additional classroom space would be used to provide dedicated space for Science, Technology, Engineering and Mathematics ("STEM"), arts, and dance courses. Here, the applicant states that the proposed building would have 28 classrooms, 2 multipurpose rooms, 2 art rooms, a music room, and 2 science labs, in addition to a teacher's lounge and 16 offices.

3) Finally, the applicant claims that the provision of outdoor roof and yard space, as well as its proximity to Shore Road Park would serve for use by students and faculty. The applicant describes that the front yard between the Premises and Shore Road ranges at its closest points from 50 to 58 feet, with portions as deep as 75 feet and would provide the School with on-site, outdoor space for passive recreational use by students and school personnel. Furthermore, the applicant states that the existing building extends approximately 116 feet from side to side and its southern side wall is located just over 20 feet from the side lot line, with the accessory garage building located approximately 15 feet behind, alongside the easterly side lot line. Additionally, the applicant claims the residential building has a 29-foot-deep front yard on Shore Road and a noncomplying, 2-foot front yard on Bay Ridge Parkway. As such, the applicant states that the proposed enlargement would extend to the front lot lines on both Shore Road and Bay Ridge Parkway, and the existing garage would be used for two accessory parking spaces, with access via a curb cut on Bay Ridge Parkway, with seven more parking spaces to be in an open area behind the garage, with access via a driveway just north of the southerly lot line and a curb cut on Shore Road.

The applicant claims that the School is unable to construct an enlargement that complies with the requirement for a 15-foot front yard on both the Shore Road and Bay Ridge frontages and also meet the School's programmatic needs. In support, the applicant submitted as-of-right plans which demonstrate that an enlargement which complies with the 15-foot front yard requirement on Shore Road and Bay Ridge Parkway would result in a distance from exterior wall to exterior wall measuring 39 feet 2 inches in width. The applicant claims that a gymnasium within this as-of-right, enlargement would measure 36 feet 5 inches wide, with a basketball court of a width of 29 feet 6 inches, which is not wide enough to be functional, must less wide enough for participation in the School's basketball league. Accordingly, the Board finds that the above unique physical conditions create practical difficulties or unnecessary hardship in complying strictly with applicable zoning regulations that are not created by general circumstances in the neighborhood or district.

B.

Next, the applicant submits, and the Board concurs that, because the applicant is a nonprofit institution, no showing need be made with respect to realizing a reasonable return.

C.

The applicant further represents that the requested variance would not alter the essential character of the neighborhood, impair the appropriate use or development of adjacent property, nor be detrimental to the public welfare. First, the applicant notes that the proposed UG 3 school use is a conforming use in the underlying residential zoning district. Furthermore, the applicant argues that the proposed building, with a floor area ratio ("FAR") of 1.05, would be substantially smaller than the maximum permitted FAR of 1.65 applicable to community facility uses in the R4A zoning district within the Special Bay Ridge District. Moreover, the applicant points out that the surrounding area is comprised of three, six-story apartment buildings on Shore Road, north of the subject property which provide landscaped front yards, and the area within 400 feet of the subject Premises is primarily a residential neighborhood comprised mostly of detached, semi-detached, and attached, two-story, single- and two-family residences, including the adjacent residential property on Bay Ridge Parkway to the east, which is improved with a two-story residence with a non-complying front yard measuring 5′-8″.

Next, the applicant claims that the subject Premises, as a corner lot, shares side lot lines with the two adjacent properties, both of which are improved with single-family residences. Wherein the existing side yard between the south side lot line and the existing building would remain unchanged at 20.3 feet wide, and the proposed side yard between the enlarged building and the east side lot line would be 21.75 feet wide, the applicant concludes that the proposed front yard variance would enable the enlarged building to extend to the street line of Bay Ridge Parkway and be 3 feet shy of Shore Road. The applicant submitted a Front Yard and Height Graphic Study which demonstrated that the enlarged building would be located over 120 feet from the shared side lot line on Shore Road and demonstrated that the impact on the adjacent property on Shore Road to the south would be minimal. Here, the applicant reasons that the built condition of the street mitigates against any impact on the use of the adjacent property to the east, as it does not correspond to the legal street lines and property lines. Moreover, the applicant finds that the adjacent property's de facto front yard and short brick fence and the subject Premises' lawn and retaining wall extend into the mapped street of Bay Ridge Parkway by approximately 8.5 feet, a condition that has existed for years and would provide a visual buffer in front of the enlarged building.

Finally, the applicant argues that the proposed project meets the goals and specific purposes of the Special Bay Ridge District provided in Z.R. § 114-00 as the design of the proposed local school complex that of three stories, has substantial green open space and less floor area than permitted, the proposal would meet the Special District's twin purposes of: (a) preserving, protecting and maintaining the existing scale and character of the surrounding residential and commercial community, and (b) encouraging the design of community facility development which is in character with the neighborhood and surrounding community. Furthermore, the applicant claims that by locating the school on Shore Road, in the heart of a residential neighborhood and across the street from Shore Park and its available athletic facilities, the School would meet the Special District's purpose of promoting the most desirable use of land in the area and thus conserving the value of nearby land and buildings.

Accordingly, the Board finds that the proposed variance would not alter the essential character of the neighborhood or district in which the Premises are located; would not substantially impair the appropriate use or development of adjacent property; and would not be detrimental to the public welfare.

D.

The applicant represents that the above practical difficulties or unnecessary hardship have not been created by the applicant or by a predecessor in title. Instead, the applicant contends that the practical difficulties encountered on the subject Premises are inherent in the site and arise out of its programmatic needs. In support, the applicant submitted a Lot Ownership Chart for lots 16 and 24 and adjacent tax lots 14, 31, 36, 38, 40, 40, and 42, along with the deeds for lots 16 and 24, demonstrating that the subject zoning lot consisting of tax lots 16 and 24, has been in single ownership since 1966. Accordingly, the Board finds that the above practical difficulties or unnecessary hardship have not been created by the applicant or by a predecessor in title.

E.

The applicant notes that the variance request is the minimum necessary to develop a community facility use at the Premises. The applicant claims that the extent of the requested variance is no greater than is necessary to afford relief as the requested front yard waiver is needed to meet the School's programmatic needs in an efficient and cost-effective design, and any lesser variance would result either in a building that does not meet those programmatic needs or would be cost-prohibitive design. Accordingly, the Board finds that the proposed variance is the minimum necessary to afford relief within the intent and purposes of the Zoning Resolution.

V.

Over the course of hearings, the Board requested that the applicant address issues raised by the New York City Department of Transportation ("DOT"), Office of School Safety in its review of the School's arrival and dismissal plans and analyze the potential change in vehicular and pedestrian traffic from the School use in line with the relevant City Environmental Quality Review ("CEQR") Manual standards.

In response the applicant submitted an operational plan for the School's arrival and dismissal times:

> School Safety Access Study & Arrival and Dismissal Operations Plan (including students and staff)
>
> During the AM arrival period for the principal access intersections, no intersection would experience an incremental increase of over 200 project-generated pedestrian trips CEQR Manual threshold during the AM arrival period. In addition, no intersection would experience an incremental increase of 200 or more project-generated pedestrian trips CEQR threshold during the PM dismissal and after-school periods as less than 200 total project generated pedestrian trips are generated during these periods. Although no intersections would experience an incremental increase of over 200 project-generated pedestrian trips during the AM arrival, PM dismissal, and after-school dismissal periods, two key study intersections are identified due to the immediate vicinity to the Project Site, which are the intersections of Shore Road at Bay Ridge Parkway and Narrows Avenue at Bay Ridge Parkway. These two intersections define an access area located directly to the north and east of the Project Site. After a review of these intersections and a description of both personnel and physical safety plans for these locations, a protocol for site access and processing of student trips at the school frontages is discussed. Considering the pedestrian, transit, and vehicular modes of arrival and assignment of access

characteristics for students, there is a clear, direct access structure for the Proposed Project. The pedestrian entrance would be located along Shore Road.

School Safety Access Study & Arrival and Dismissal Operations Plan

1. Supporting safe pedestrian access to and from the school.
2. Supervised access and egress from the school building—students would have a supervised entry/exit point at the Proposed Project. The ability to safely steward arriving and departing students is based on the consideration of the following:
    - The modes of student arrival and departure; whether pedestrian—either direct to and from a student's home or via transit and then walking to and from the school—or by private automobile;
    - The volume of students using these modes for arrival and departure; and
    - The routes by which student pedestrian or vehicular trips arrive at the school.

Supporting Safe Pedestrian Access to and from the School

- Safe walking routes to the school from area transit stops and residential areas were identified. The "Access Area" is defined as the sidewalk network within an area generally bounded by 72nd Street to the north, Colonial Road to the east, 78th Street to the south, and Shore Road to the west.
- The School should provide, at school year initiation and at various points of the year, an orientation for safe walking routes for each student based on their route to and from home and applying these basic rules in terms of access to and from the School.
- The School administration should provide a regular (monthly) in-field audit during arrival, and dismissal on the pedestrian and vehicular access patterns and behavior associated with the school and nearby businesses to provide for continuous safety improvement as the school becomes a part of the neighborhood.
- The School administration should communicate regularly with its business neighbors to provide foresight and understanding with respect to their coexistence in the neighborhood.

Ingress and Egress

The entrance to the school would be located along the east sidewalk of Shore Road between Bay Ridge Parkway and 77th Street. All students and staff would enter and exit through this entrance. The Ingress and Egress Plan would ensure that arriving and departing student pedestrians and vehicular drop-off and pickup traffic are manageable, coordinated, and focused on safely and efficiently stewarding students to and from the Project Site. Further, the Ingress and Egress Plan would help to minimize the potential for disruptions by ensuring that students exit the building directly and do not congregate in the main lobby or other areas of the building.

Arrival and Dismissal Staffing at Entry/Egress Locations
Dedicated staff would be assigned at the entry/egress location during the arrival and dismissal periods. A minimum of two staff members would be present at the entrance throughout these periods—one to manage and provide security at the entrance and a second to steward pickups and drop-offs along the Shore Road and Bay Ridge Parkway frontages. It should be noted that steward pickups and drop-offs at the Project Site would be minimal as the Proposed Project is for high school students. Therefore, no designated pickup/drop-off zone is provided. During the arrival period from 7:45 a.m. to 8:30 a.m., at least one of the two dedicated staff members would greet arriving students and provide overall AM period management at the entrance. This staff coordinator would direct and assist with special needs access and oversee students' movement from the arrival/drop off point. The dismissal period from 2:40 p.m. to 3:00 p.m. would mirror the staffing plan for the arrival period.

Additionally, the applicant conducted a Transportation Survey to analyze the most common means of transportation used by teachers and staff to arrive and depart from the School in conjunction with its potential effects on traffic:

Methodology
The transportation survey was distributed electronically by BRPHS to the students (Grades 9-12) and staff at the existing high school. The survey for the students included nine questions about the student's trip to school that day, including mode of travel, point of origin, arrival and dismissal times, and enrollment in after-school programs. A total of 187 student responses were returned (almost a hundred percent response rate), of which 185 were included in the analysis of mode choice. The survey for the staff included eight questions about the staff's trip to school that day, including mode of travel, point of origin, and arrival and dismissal times. A total of 52 staff responses were returned (a hundred percent response rate), of which all the responses were included in the analysis of mode choice.

Mode Choice
A summary of the findings derived from the mode choice survey data shows that in the morning, approximately 22.7 percent of

high school students traveled to school via private auto (auto drop-off), while 5.4 percent used taxis or rideshare services (e.g., Uber, Lyft, Via, etc.) as their primary mode of travel. Approximately 65.9 percent of students used transit, including 57.3 percent who traveled by subway and 8.6 percent who traveled by bus. In addition, approximately 5.9 percent of students either walked and no students biked to school. In the afternoon, the mode choice during dismissal is similar to the arrival, where approximately 22.7 percent of high school students traveled from school via private auto (auto drop-off), while 4.3 percent used taxis or rideshare services (e.g., Uber, Lyft, Via, etc.) as their primary mode of travel. Approximately 64.9 percent of students used transit, including 57.3 percent who traveled by subway and 7.6 percent who traveled by bus.

Staff

A summary of the findings derived from the mode choice survey data shows that approximately 50.0 percent of high school staff traveled to school via private auto, while 3.8 percent used taxis or rideshare services (e.g., Uber, Lyft, Via, etc.) as their primary mode of travel. Approximately 30.8 percent of staff used transit, including 26.9 percent who traveled by subway and 3.8 percent who traveled by bus. In addition, approximately 13.5 percent of staff walked and 1.9 percent of staff biked to school. In the afternoon, the mode choice during dismissal is the same to the arrival for all modes except for taxis or rideshare services and subway. During the dismissal period, approximately 1.9 percent used taxis or rideshare services to travel from school (compared to approximately 3.8 percent in the AM period) and approximately 28.8 percent traveled by subway, resulting in approximately 32.7 percent of staff to use transit (compared to approximately 26.9 percent in the AM period). Vehicle Occupancy and Parking Location, and based on the survey data, the vehicle occupancy (number of persons per vehicle) for staff commuting by private auto averages approximately 1.11. In addition, all staff who commuted via private auto parking on-street. For those using taxi/rideshare services, the vehicle occupancy is approximately 1.00.

VI.

The project is classified as an Unlisted action pursuant to Section 617.2 of 6 NYCRR. The Board has conducted an environmental review of the proposed action and has documented relevant information about the project in the Final EAS CEQR No. 24BSA004K, dated May 21, 2024. The EAS documents that the project as proposed would not have significant adverse impacts on land use, zoning, and public policy;

socioeconomic conditions; community facilities and services; open space; shadows; historic resources; urban design and visual resources; neighborhood character; natural resources; waterfront revitalization program; infrastructure; hazardous materials; solid waste and sanitation services; energy; traffic and parking; transit and pedestrians; air quality; noise; or public health.

By correspondence dated April 20, 2023, the Landmarks Preservation Commission ("LPC") states that the properties located at 7509 Shore Road and 7503 Shore Road have no architectural or archeological significance.

By correspondence dated November 27, 2023, the New York City Department of Parks, Department of Environment and Planning states that upon review of the applicant's EAS Shadow Chapter, it agrees with the conclusion that there would be no impacts on Shore Road Park.

No other significant effects upon the environment that would require an Environmental Impact Statement are foreseeable. Based on the foregoing, the Board has determined that the proposed action will not have a significant adverse impact on the environment.

Based on the foregoing, the Board finds that the evidence in the record supports the findings required to be made under Z.R. § 72-21 and that the applicant has substantiated a basis to warrant exercise of discretion.

Therefore, it is Resolved, that the Board of Standards and Appeals does hereby *issue* a Negative Declaration prepared in accordance with Article 8 of the New York State Environmental Conservation Law and 6 NYCRR Part 617, the Rules of Procedure for City Environmental Quality Review and Executive Order No. 91 of 1997, as amended, and make each and every one of the required findings under Z.R. § 72-21 to *permit* the enlargement of a UG 3 school, contrary to regulations for front yard depth (Z.R. § 24-34); *on condition* that all work and site conditions shall conform to drawings filed with this application marked: "Approved Plans" received May 21, 2024 — Forty (40) sheets; and *on further condition*:

THAT the bulk parameters of the building shall be as follows: two front yards along the Shore Road and Bay Ridge Parkway street frontages each measuring 0′-0″ in depth, as per the BSA-approved plans;

THAT the access to the roof of the building on Lot 16 shall be limited to only classes and for annual parent functions;

THAT the maximum capacity shall be limited to 120 for parent functions and 56 for class seating;

THAT a sound absorbing barrier of minimum four feet above the roof terrace along the eastern parapet shall be installed and planter boxes, of minimum four feet in height shall be located six feet from the eastern parapet wall;

THAT there shall be no sound amplification on the roofs of either building;

THAT the above measures shall be in place prior to obtaining a temporary certificate of occupancy ("TCO");

THAT the applicant is required to submit a Builder's Pavement Plan ("BPP") and all required drawings as per DOT specifications and requirements for NYC DOT review and approval;

THAT all improvements shown on BSA-approved plans are for illustrative purposes only and will require DOT review and approval post-BSA approval;

THAT the above conditions shall appear on the certificate of occupancy;

THAT a certificate of occupancy, also indicating this approval and calendar number ("BSA Cal. No. 2023-48-BZ"), shall be obtained within four years, by May 21, 2028;

THAT the proposed curb cut on Shore Road shall be compliant with zoning regulations;

THAT there shall be 7′-0″ spacing between street trees and the outside edge of any curb;

THAT the sidewalk along Shore Road shall have a minimum width of 17′-6″;

THAT all existing plant encroachments on the sidewalk must be removed;

THAT the sidewalk shall be reconstructed to the standard of New York City concrete sidewalk regulations, in accordance with New York City DOT standards and fully accessible to the public;

THAT the existing curb cut on Shore Road shall be removed and rebuilt as a full height curb;

THAT final dimensions and locations of curb cuts shall be reviewed and approved by NYC DOT:

THAT pedestrian ramps shall be upgraded at all four corners at the intersection of Shore Road and Bay Ridge Parkway to the latest ADA standards acceptable by the NYC DOT;

THAT upon completion of construction, a "No Standing, School Zone from 7 a.m. to 4 p.m." signage shall be installed along curb adjacent to the new school frontages, with final locations to be determined by NYC DOT;

THAT the applicant shall notify NYC DOT six months prior to opening the school so that DOT can install all necessary signage;

THAT this approval is limited to the relief granted by the Board in response to objections cited and filed by the Department of Buildings;

THAT the approved plans shall be considered approved only for the portions related to the specific relief granted; and

THAT the Department of Buildings must ensure compliance with all other applicable provisions of the Zoning Resolution, the

Administrative Code, and any other relevant laws under its jurisdiction irrespective of plans or configurations not related to the relief granted.

Adopted by the Board of Standards and Appeals, May 21, 2024.

CERTIFICATION

This copy of the resolution
dated May 21, 2024
is hereby filed by the
Board of Standards and Appeals
on June 28, 2024.

Carlo Costanza
Executive Director