

Resolution approving financing of a civic facility for Dumont Avenue-CCNS Support Corporation and authorizing the issuance and sale of approximately \$18,130,000 of Build NYC Resource Corporation Revenue Bonds (Dumont Avenue-CCNS Support Corporation Project), Series 2025, 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 or refinance 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, Dumont Avenue-CCNS Support Corporation (the “Applicant”), a New York not-for-profit corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has entered into negotiations with officials of the Issuer with respect to the issuance of the Bonds (as hereinafter defined), the proceeds of which will be used to: (i) finance the acquisition of a newly completed 25,200 square foot building (the “Facility”) located on a 14,000 square foot parcel of land, which is leased from a third party, located at 822 Dumont Avenue, Brooklyn, New York (the “Land” or “Project Site”); (ii) fund debt service reserve fund(s); (iii) fund capitalized interest; and (iv) pay for certain costs relating to the issuance of the Bonds; and (ii) certain costs related to the issuance of the Bonds (collectively, (i)-(iv), the “Project”); and

WHEREAS, upon acquisition of the Project Site, the Applicant will sub-lease the Project Site to Catholic Charities Neighborhood Services, Inc. (“CCNS”), a New York not-for-profit corporation, which is exempt from federal income taxation pursuant to section 501(c)(3) of the Code and an affiliate of the Applicant, all for the use by CCNS in its operation as an early childhood development center serving approximately 200 students between the ages of 0-5 years old.

WHEREAS, the Applicant has submitted an Application (the “Application”) to the Issuer to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant is a not-for-profit corporation

that serves to improve the nature and quality of education and childcare at CCNS, including but not limited to the acquisition, design, development, construction, financing, equipping and leasing of an approximately 25,200 square foot new Early Childcare/Education facility at the Project Site to CCNS that will serve approximately 200 or more low-income children in Head Start and Early Head Start programs administered by CCNS; that the Applicant currently has approximately 28 full-time equivalent employees at its current facility and upon completion of the Project, it is anticipated that the Applicant will employ approximately 34 full-time equivalent employees at the Facility; that the financing of the Project costs with the Issuer's financing assistance will allow the Applicant to expand its services, as well as better serve its current clients and increase the organization's client base and that, therefore the Issuer's assistance is necessary to assist the Applicant in proceeding with the Project; and

WHEREAS, the Issuer desires to further encourage the Applicant with respect to the financing of the Facility and to proceed with the Project; and

WHEREAS, in order to finance the cost of the Project, the Issuer intends to issue its Revenue Bonds (Dumont Avenue-CCNS Support Corporation Project), Series 2025, in one or more taxable or tax-exempt series in the aggregate principal amount of \$18,130,000 (or such greater amount not to exceed 10% more than such stated amount) (the "Bonds") each as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination"), all pursuant to an Indenture of Trust (an "Indenture") to be entered into between the Issuer and The Bank of New York Mellon, as trustee, or a trustee to be appointed by the Issuer (the "Trustee"); and

WHEREAS, (i) the Issuer intends to loan the proceeds of the Bonds to the Applicant pursuant to a Loan Agreement (the "Loan Agreement") to be entered into between the Issuer and the Applicant, (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 (iii) CCNS will assume certain provisions of the Loan Agreement pursuant to a Use Agreement (the "Use Agreement") by and among the CCNS, the Issuer and the Trustee;

WHEREAS, the Bonds are to be secured by a mortgage lien on the lease of the Land and the Facility granted by the Applicant as mortgagor to the Issuer and Trustee pursuant to one or more mortgages (collectively, the "Mortgage") which Mortgage will be assigned by the Issuer to the Trustee pursuant to an Assignment of Mortgage and Security Agreement from the Issuer to the Trustee (the "Assignment of Mortgage"); and

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

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

Section 1. The Issuer hereby determines that the financing of 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 in one or more taxable and/or tax-exempt series, shall be dated as provided in the Indenture, shall be issued as one or more serial and/or term bonds, and shall be in an aggregate amount not to exceed \$18,130,000 (or such greater amount not to exceed such stated amount by more than 10%), and the Bonds shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable as to interest by check, draft or wire transfer as provided in the Indenture, shall bear interest at such rate(s) as determined by the Certificate of Determination.

The Bonds 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 not later than forty (40) years from the date of issuance (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 Indenture hereinafter authorized. The Bonds are further secured by the Mortgage, which Mortgage will be assigned by the Issuer to the Trustee pursuant to the Assignment of Mortgage. The Bonds may be further secured by the Pledge and Security Agreement. The Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the Bond Fund, the Project Fund, and such other funds as established under the Indenture (subject to disbursements therefrom in accordance with the Loan Agreement and the Indenture) and shall never constitute a debt of the State of New York or of The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the Bonds be payable out of any funds of the Issuer other than those pledged therefor.

Section 5. The Bonds may be sold pursuant to a public offering or a private placement and Morgan Stanley & Co. LLC or an investment bank to be determined by the Applicant may serve as the underwriter or placement agent (the "Investment Bank"). The

determination as to public offering or private placement, the designation of the Investment Bank, and the purchase price of the Bonds shall be approved by Certificate of Determination.

Section 6. The delivery of a Preliminary Official Statement with respect to the Bonds (the “Preliminary Offering Document”) and the execution and delivery of the Indenture, a Private Placement Memorandum or final Official Statement with respect to the Bonds (the “Final Offering Document”), a Bond Placement Agreement or Bond Purchase Agreement with the Applicant and the Investment Bank, the Loan Agreement, the Mortgage, the Use Agreement, a Letter of Representation and Indemnity Agreement from the Applicant, the Assignment of Mortgage, the Pledge and Security Agreement 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 or pursuant to a Certificate of Determination, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and the General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Documents. The execution and delivery of each such Issuer Documents by said officer shall be conclusive evidence of due authorization and approval.

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

Section 8. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Issuer Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Issuer and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the members or directors thereof by the provisions of this Resolution and the Issuer Documents shall be exercised or performed by the Issuer or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in any of the Issuer Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Issuer in his individual capacity, and neither the members or directors of the Issuer nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 9. The officers of the Issuer are hereby designated the authorized representatives of the Issuer, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Issuer Documents and the issuance of the Bonds.

Section 10. The Issuer is hereby authorized to cause the Applicant to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Bonds, all as particularly authorized by the terms and provisions of the Loan Agreement. The Applicant is authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Applicant that neither the Issuer nor any of its members, directors, officers, employees, agents or servants shall have any personal liability for any action taken by the Applicant for such purpose or for any other purpose.

Section 11. Any expenses incurred by the Issuer with respect to the Project and the financing thereof shall be reimbursed out of the proceeds of the Bonds or, in the event such proceeds are insufficient after payment of other costs of the Project or the Bonds are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid by the Applicant. By accepting this Resolution, the Applicant agrees to pay such expenses and further agree to indemnify the Issuer, its members, directors, officers, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer in good faith with respect to the Project and the financing thereof.

Section 12. In connection with the Project, the Issuer intends to grant the Applicant financing assistance in the form of issuance of the Bonds and an exemption from mortgage recording tax with respect to the Mortgage.

Section 13. Any qualified costs incurred by the Applicant in connection with the Project and prior to the issuance of the Bonds 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 and provided further that the reimbursement is permitted under the Tax Regulatory Agreement.

Section 14. The Issuer, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Issuer’s review of information provided by the Applicant and such other information as the Issuer has deemed necessary and appropriate to make this determination.

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

- a. The applicant provided a Preliminary Transportation Assessment, dated October 31, 2024, that states: “In both the school AM and PM peak hours, no intersections are anticipated to experience an increase of 50 or more vehicle trip ends at one or more intersections, no subway stations are anticipated to experience an increase of 200 or more passengers at a single subway station or on a single subway line, and no bus routes are anticipated to experience an increase of 50 or more bus trips per direction.” Therefore, the Project would

not result in a substantial adverse change in existing traffic. In addition, the Project would not result in a substantial adverse change in existing air quality or noise levels.

- b. The Short Environmental Assessment Form Part I identified that a portion of the Project Site or a property adjacent to it was designated as sensitive for archeological sites on the NY State Historic Preservation Office archeological site inventory. Review of this resource revealed no relevant information to suggest the Project would result in significant adverse impact on archeological resources. Additionally, the Project would not result in significant adverse impacts on cultural, architectural, or aesthetic resources or the existing neighborhood.
- c. The Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
- d. The Project would not result in a change in existing zoning or land use. The existing uses would be as-of-right under zoning.
- e. A Phase I Environmental Site Assessment was completed for the Project Site in April 2023. The Phase I did not identify any current, historic, or connected Recognized Environmental Conditions (RECs) associated with the Project Site. Phase I found two 275-gallon aboveground storage tanks on the property. Upon redevelopment of the Project Site, it is recommended that appropriate measures be exercised to keep tank areas clear of spills and staining and that installation of secondary containment for these tanks be done to prevent spills from impacting subsurface conditions. Asbestos Containing Materials (ACM) and Lead Based paint (LBP) surveys were completed in November 2023, and found no ACM in the Project Site, and permissible levels of LBP at the Project Site. If the recommendations above are followed, it is not anticipated that any significant adverse impacts would result from the Project due to hazardous materials.
- f. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 14. This Resolution is subject to the approval of a private investigative report with respect to the Applicant, which approval shall be conclusively evidenced by the delivery of the Issuer Documents authorized pursuant to Section 6 hereof. The provisions of this Resolution shall continue to be effective until one year from the date hereof, whereupon the effectiveness of this Resolution shall terminate (except with respect to the matters contained in Section 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 15. The statements made in this Resolution with respect to the reimbursement of qualified costs related to the Project and incurred by the Applicant before the issue date of the Bonds are intended to be statements of official intent as required by and in accordance with the provisions of Treasury Regulation Section 1.150-2(e). The qualified costs intended to be reimbursed pursuant to this Resolution, if any, have been incurred within 60 days

prior to the date hereof (or earlier to the extent permitted under the Code) or will be incurred after the date hereof in connection with the Project. This Resolution is adopted for the purposes of establishing compliance with the requirements of Treasury Regulation Section 1.150-2 and does not constitute a binding obligation to issue the Bonds or proceed with the Project.

Section 16. The Issuer recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Issuer herein. The Issuer hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the Certificate of Determination.

Section 17. This Resolution shall take effect immediately.

[SIGNATURE PAGE FOLLOWS]

ADOPTED: January 28, 2025

Accepted: _____, 202__

DUMONT AVENUE-CCNS SUPPORT
CORPORATION

By: _____
Name:
Title:

Accepted: _____, 202__

CATHOLIC CHARITIES
NEIGHBORHOOD SERVICES, INC.

By: _____
Name:
Title: