

MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
BUILD NYC RESOURCE CORPORATION
HELD AT THE 110 WILLIAM STREET OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
JULY 25, 2017

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

Brian Cook, alternate for Scott M. Stringer,
Comptroller of The City of New York
Albert De Leon
Barry Dinerstein, alternate for Marisa Lago
the Chair of the City Planning Commission of The City of New York
Kevin Doyle
Anthony Ferreri
Jaques-Philippe Piverger
Carl Rodrigues, alternate for Alicia Glen,
Deputy Mayor for Housing and Economic Development of The City of New York
Robert Santos
Shanel Thomas

The following directors were not present:

Marlene Cintron
Andrea Feirstein
James McSpirtt, alternate for Zachary W. Carter, Esq.,
Corporation Counsel of The City of New York
James Patchett, Chairman

Also present were (1) members of New York City Economic Development Corporation (“NYCEDC”) staff and interns, (2) Scott Singer from Nixon Peabody LLP, (3), Seth Bryant from Bryant Rabbino LLP, (4) Arthur Cohen from Hawkins Delafield & Wood LLP, (5) Patricia Mollica and Alex Deland from Katten Muchin Rosenman LLP, (6) Susan Herlihy from the City’s Department of Finance and (7) other members of the public.

Johan Salen, a Vice President of NYCEDC and Executive Director of the Build NYC Resource Corporation (the “Corporation”), convened the meeting of the Board of Directors of Build NYC at 9:25 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the June 13, 2017 Board of Directors Meeting

Mr. Salen asked if there were any comments or questions relating to the minutes of the June 13, 2017 Board of Directors meeting. There being no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for May 31, 2017 (Unaudited)

Christine Robinson, Senior Accountant of NYCEDC, presented the Corporation's Financial Statements for the eleven month period ending May 31, 2017 (Unaudited). Ms. Robinson stated that in the eleven month period, the Corporation recognized approximately \$1,700,000 in revenue from 12 transactions. Ms. Robinson stated that income derived from compliance, application, recapture, post-closing and other fees totaled \$1,100,000 for the eleven month period. Ms. Robinson stated that the Corporation recognized \$3,000,000 in total expenditures for the eleven month period ending in May 31, 2017, consisting of the monthly management fee, marketing and public hearing expenses. Ms. Robinson stated that under the nonprofit real estate lecture series consultant agreement, the Corporation recorded \$54,000 in special project costs.

3. 180 W. 165TH Street LLC & Metropolitan Lighthouse Charter School

Edgar Avalos, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$32,575,000 tax-exempt revenue bond issuance for the benefit of 180 W. 165TH Street LLC & Metropolitan Lighthouse Charter School. Mr. Avalos recommended the adoption of a SEQRA negative declaration that the project would not have a significant adverse effect on the environment. Mr. Avalos described the project and its benefits as set forth in Exhibit A.

Mr. Dinerstein stated that the school is currently renting their space and by purchasing it they will save hundreds of thousands of dollars a year. On behalf of the Finance Committee, Mr. Dinerstein recommended approval of this project.

In response to a question from Mr. Cook, Mr. Avalos stated that the large jump in educational services in FY 2016 was due to the addition of 7th grade. This entails an increase in staff and related benefit expenses, an increase in classroom and related supplies and other program expenses such as Teach For America program fees.

There being no further comments, a motion to approve the bond approval and authorizing resolution and SEQRA determination for the benefit of 180 W. 165TH Street LLC & Metropolitan Lighthouse Charter School attached hereto as Exhibit B was made, seconded and unanimously approved.

4. Grace Church School

Kyle Brandon, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$11,500,000 tax-exempt revenue bond issuance for the benefit of Grace Church School. Mr. Brandon recommended the adoption of a SEQRA negative declaration that the project would not have a significant adverse effect on the environment. Mr. Brandon described the project and its benefits as set forth in Exhibit C.

Mr. Dinerstein stated that the Finance Committee reviewed the project and that given the school's location in the NoHo neighborhood of Manhattan they were required to receive a Board of Standards and Appeals special permit. The school also received a certificate of appropriateness from the City's Landmarks Preservation Commission. On behalf of the Finance Committee, Mr. Dinerstein recommended approval of this project.

There being no further comments, a motion to approve the bond approval and authorizing resolution and SEQRA determination for the benefit of Grace Church School attached hereto as Exhibit D was made, seconded and unanimously approved.

5. Mary McDowell Friends School

Krishna Omolade, a Senior Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$20,800,000 tax-exempt revenue bond issuance for the benefit of Mary McDowell Friends School and approval of a waiver of section 7 of the Build NYC Resource Corporation Private School Policy. Mr. Omolade recommended the adoption of a SEQRA negative declaration that the project would not have a significant adverse effect on the environment. Mr. Brandon described the project and its benefits as set forth in Exhibit E.

On behalf of the Finance Committee, Mr. Dinerstein recommended approval of this project.

There being no further comments, a motion to approve the bond approval and authorizing resolution, a waiver of section 7 of the Corporation's Private School Policy and SEQRA determination for the benefit of Mary McDowell Friends School attached hereto as Exhibit F was made, seconded and unanimously approved.

6. NYCIDA and Build NYC Marketing

Mr. Salen stated that New York City Industrial Development Agency staff and Build NYC staff are rebranding and changing the websites along with how application materials are displayed. A business development manager has been selected to lead the outreach effort in order to increase the number and quality of projects. Mr. Salen presented the new logo for the NYCIDA. Mr. Salen stated that currently there is only one form of application, which is used

across three programs (FRESH, NYCIDA and Build NYC). The one application will be split into three and branded accordingly. Agency staff would make sure that the questions in the applications are significantly more user friendly, thereby creating a larger sense of customer awareness and accommodation to the applicant. Furthermore, the NYCIDA website is currently being revamped since there are a few areas that might contain redundant or outdated information. Mr. Salen then presented the new logo for Build NYC and stated that the new presentation materials and application materials will be tailored to Build NYC applicants and that the new website will speak to exactly what the applicant is looking for. Mr. Salen explained that these changes all tie in with the changes to the Agency's Uniform Tax Exemption Policy ("UTE") in an overall effort for staff to achieve a greater deal flow while still having a strong lens of quality projects that will benefit the City. Mr. Salen thanked Agency staff and Build NYC staff for their work on the project. Jeffrey Lee, a Senior Vice President of NYCEDC, thanked NYCEDC's marketing department for their work on the logos, which matches private sector quality without the expense of having to hire a third party marketing and graphics team.

7. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:42 a.m.

Arthur Hauer
Assistant Secretary

Dated: 8/18/17
New York, New York

Exhibit A



Project Summary

180 W. 165th Street LLC, a New York limited liability company (“180 West”), the sole member of which is Metropolitan Lighthouse Charter School (the “School”), a New York education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), currently operate a charter school at the project location. 180 West is seeking approximately \$32,575,000 in tax-exempt revenue bonds (the “Series 2017A Bonds”) and approximately \$805,000 in taxable revenue bonds (the “Series 2017B Bonds” and, together with the Series 2017A Bonds, the “Bonds”) proceeds of which will be used by 180 West to finance: (i) the acquisition, renovation and equipping of an existing approximately 51,600 square foot 6-story building on an approximately 12,084 square foot parcel of land located at 180 W. 165th Street, Bronx, New York 10452 (the “Building”), (ii) construction of a rooftop renovation and addition (the “Addition” and, together with the Building, the “Facility”) to add an additional approximately 6,000 square feet on the sixth floor, which will be used for various purposes, including as a student performance and physical education space in order to expand the School’s arts, sports and scholastic programs, (iii) capitalized interest on the Bonds, (iv) a debt service reserve fund, if required, and (v) certain costs related to the issuance of the Bonds. 180 West will own the Facility and lease the Facility to the School. Metropolitan Support Corporation (the “New Member”), a New York not-for-profit corporation that will seek recognition of status as an organization described in Section 501(c)(3) of the Code, is expected to become the sole member of 180 West, after such time, and to the extent that, it is recognized by the Internal Revenue Service. The School will operate the Facility in order to continue to provide educational services for students from kindergarten through grade 9. The School plans to add one grade per year until it serves kindergarten through grade 12 by the 2020-2021 school year.

Project Location

180 W. 165th Street
 Bronx, New York 10452

Actions Requested

- Bond Approval and Authorizing Resolution
- Adopt a Negative Declaration for the proposed Project.

Anticipated Closing

Fall 2017

Impact Summary

Employment	
Jobs at Application:	52.5
Jobs to be Created at Project Location (Year 3):	21
Total Jobs (full-time equivalents)	73.5
Projected Average Hourly Wage (excluding principals)	\$ 36.68
Highest Wage/Lowest Wage	\$74.18/hr, \$15.00/hr

Estimated City Tax Revenues	
Impact of Operations (NPV 35 years at 6.25%)	\$ 4,295,298
One-Time Impact of Renovation	63,645
Total impact	\$ 4,358,943
Additional benefit from jobs to be created	\$ 1,372,494

180 W. 165th Street LLC + Metropolitan Lighthouse Charter School

Estimated Cost of Benefits Requested: New York City		
MRT Benefit	\$	542,425
NYC Forgone Income Tax on Bond Interest		317,405
Corporation Financing Fee		(191,900)
Total Cost to NYC Net of Financing Fee	\$	667,930
Estimated Cost of Benefits per Retained Job	\$	12,722

Costs of Benefits Per Job		
Estimated Net City Cost of Benefits per Total Jobs	\$	9,087
Estimated City Tax Revenue per Total Jobs	\$	77,979

Estimated Cost of Benefits Requested: New York State		
MRT Benefit	\$	392,215
NYS Forgone Income Tax on Bond Interest		1,194,144
Total Cost to NYS	\$	1,586,359
Overall Total Cost to NYC and NYS	\$	2,254,289

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$33,380,000	100%
Total	\$33,380,000	100%

Uses	Total Amount	Percent of Total Costs
Land & Building Acquisition	\$26,920,000	81%
Construction Hard Costs	\$1,700,000	5%
Construction Soft Costs	\$300,000	1%
Debt Service Reserve Fund	\$2,060,000	6%
Capitalized Interest	\$1,700,000	5%
Cost of Issuance	\$700,000	2%
Total	\$33,380,000	100%

Fees

	Paid at Closing	On-Going Fees (NPV, 35 Years)
Corporation Fee	\$ 194,000	
Bond Counsel	135,000	
Annual Corporation Fee	1,250	16,755
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	6,702
Trustee Counsel Fee	5,000	
Total	336,250	23,458
Total Fees	\$ 359,708	

180 W. 165th Street LLC + Metropolitan Lighthouse Charter School

Financing and Benefits Summary

The Bonds will be underwritten by Piper Jaffray & Co. and will be publicly offered. The Bonds will be issued in two series: Series 2017A tax-exempt bonds in the aggregate principal amount of \$32,575,000 and Series 2017B taxable bonds in the aggregate principal amount of \$805,000. The interest rate for the Series 2017A Bonds will be fixed at an anticipated rate of 4.81% with final maturity in 2052. The interest rate for the Series 2017B Bonds will be approximately 5.50% with final maturity in 2022. The Bonds will be sold on a negotiated sale basis to the institutional and accredited investor marketplace. The Bonds will be secured by a first mortgage on the Facility. Based on an analysis of the School's financial statements, and assuming the addition of one grade per academic year, as of Fiscal Year 2019 it is expected to have a debt service coverage ratio of 1.76x.

Applicant Summary

The School, which was incorporated in 2009 and opened in 2010 is a public charter school located in Community School District 9, in the Bronx. The School offers educational services for students in kindergarten through ninth grade with plans to expand to a K-12 school by 2020-2021. The School's major source of revenue is provided by the New York City Department of Education. In the 2016-2017 school year, 91.8% of the School's students qualified for the federal free and reduced-price lunch program, and 16% of students were English language learners. The School contracts for the management of certain academies and business operations with Lighthouse Academies, Inc., a Florida-based organization managing charter schools in several states, including Bronx Lighthouse Charter School, Bronx Lighthouse College Prep Academy and Metropolitan Lighthouse College Prep Academy, all located in the Bronx. A regional Vice President and a board member of Lighthouse Academies, Inc. are also board members of the School. Lighthouse Academies Inc.'s approach is aimed at empowering the hearts and minds of all students, regardless of their economic circumstance and ethnic background, by encouraging creative problem solving, intellectual curiosity, self-reflection, cooperative learning and optimistic resilience. With an educational model based on a rigorous academic curriculum, arts-infusion, strong culture of achievement, nurturing environment and involvement of families and community partners, the School's students have consistently outperformed their peers in the District 9 on the English Language Arts and Mathematics exams. For the 2016-2017 school year, there was a waitlist of 440 students across grades K-8.

Travis Brown, Lighthouse Academies Regional Vice President for New York

Mr. Brown started his career teaching high school mathematics in the Bronx as a member of the New York City Teaching Fellows program. He then became the founding principal of a district middle school in Harlem through the New Leaders for New School program. Mr. Brown then went on to open an alternative charter high school in the Brownsville section of Brooklyn serving over-aged students. Most recently, Mr. Brown served as an instructional coach for Turnaround for Children. In this role he worked to turnaround two K-8 district schools in Newark, New Jersey by providing instructional and leadership support. Travis earned a M.A. in Mathematics Education from The City College of New York, and a B.B.A. in Computer Information Science from Temple University.

Arthur Brown, Principal (9th -12th)

Mr. Brown has worked in urban community settings as a social studies teacher, staff developer, and school administrator for over 20 years. As a master teacher and instructional specialist, Mr. Brown provided transformational leadership support to a range of New York City public schools with unique needs. He has written and collaborated on numerous federally funded grants totaling several million dollars, which provided professional development for secondary school teachers. During his tenure as a public school principal with the New York Department of Education, he established sustainable systems and structures that led to continued school improvement including effective professional leadership teams, and improved communication systems for families which resulted in the increased academic progress of all students. He holds a Bachelor's degree in History from the College of Charleston, a Master's degree in Social Studies Education from Columbia University, and a Master's degree in School District administration from Touro College. Mr. Brown is most enthusiastic about the successful pursuit of the American dream for all students, and teacher professional learning that leads to closing the student achievement gap.

180 W. 165th Street LLC + Metropolitan Lighthouse Charter School

Kurt Davidson, Assistant Principal

Mr. Davidson leads the Upper Academy at MetLCS. He began his career as a Teach for America special education teacher at The Arts and Technology Academy (ATA) Public Charter School in Washington, DC. Over four years, Mr. Davidson assumed greater leadership roles serving as a team leader and then as a mathematics instructional leader, leading the curriculum, professional development, and instructional coaching effort that came with transitioning to the Common Core Standards. In that time, he also served as a Seminar Instructor for TNTP, providing coaching and instruction for first year teachers working to gain certification. Looking to expand his leadership skills and gain public school district experience, Mr. Davidson served as a Resident Principal at Pinewood Elementary in Charlotte, North Carolina. In his residency through New Leaders, he directly managed nine classroom teachers and successfully led the School's Read to Achieve, personalized learning, and School Leadership Team/ Title I initiatives. Mr. Davidson has a Bachelor's of Arts degree from the University of Oklahoma and a Masters of Special Education degree from George Mason University.

Employee Benefits

The School provides benefits including health, dental, vision, and life insurance plans, a 401(k) matching contribution up to 4% of employee's salary, and professional development training.

Recapture

Subject to recapture of the mortgage recording tax benefit.

SEQRA Determination

Unlisted action with no significant adverse impacts. Staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Corporation staff.

Due Diligence

The Corporation conducted a background investigation of the School and found no derogatory information.

Compliance Check:	Not applicable
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Private School Policy:	Not applicable
Bank Account:	Bank of America Merrill Lynch JPMorgan Chase Bank, N.A.
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Relationships are reported to be satisfactory.
Unions:	Not applicable
Vendex Check:	No derogatory information was found.
Attorney:	Alison Radecki, Esq. Orrick, Herrington & Sutcliffe LLP

180 W. 165th Street LLC + Metropolitan Lighthouse Charter School

51 West 52nd St.
New York, New York 10019

Accountant: Mary Beth Rousseau
Lighthouse Academies
29150 Chapel Park Drive, Bldg. 5A
Wesley Chapel, Florida

Consultant/Advisor: John Phan
Urban Futures Inc.
17821 East 17th St.
Tustin, California 92780

Community Board: Bronx, CB #4

Board of Trustees

- Aaron Bothner – *Board Member; Wafra Investment Advisory Group*
- Timothy Bryan – *Board Member; Custora's*
- Adrain L. Bryant – *Treasurer; W.P. Carey Inc.*
- Aryanne Ferranti – *Board Member ; XO Group*
- Genai Goldsmith – *Board Member; Metropolitan Lighthouse Charter School*
- Jessica Haber – *Secretary; Mercy College*
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- Anne Laraway – *President; Happy Family Brands*
- Janice Lee - *Board Member; Deutsch Bank*
- Jillian Roland - *Board Member; The Bridgespan Group*

Exhibit B

Resolution approving financing of facilities for 180 W. 165th Street LLC and Metropolitan Lighthouse Charter School and authorizing the issuance and sale of approximately \$33,380,000 of Tax-Exempt and Taxable Revenue Bonds (Metropolitan Lighthouse Charter School Project), Series 2017 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 (the “N-PCL”) 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 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 bases; and (iii) to undertake other projects that are appropriate functions for a non-profit local development corporation for the purpose of relieving and reducing unemployment, promoting 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, lessening the burdens of government and acting in the public interest; and

WHEREAS, 180 W. 165th Street LLC, a New York limited liability company (the “Organization”) and Metropolitan Lighthouse Charter School (the “School”, and, together with the Organization, the “Applicant”), a New York education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), have entered into negotiations with officials of the Issuer for the Issuer’s assistance with a tax-exempt bond and taxable bond transaction, the proceeds of which, together with other funds of the Applicant, will be used by the Applicant to finance: (1) the acquisition, renovation and equipping of an existing approximately 51,600 square foot 6-story building on an approximately 12,084 square foot parcel of land located at 180 W. 165th Street, Bronx, New York 10452 (the “Building”); (2) construction of a rooftop renovation and addition (the “Addition” and together with the Building, the “Facility”) to add an additional approximately 6,000 square feet on the sixth floor, which will be used for various purposes, including as a student performance and physical education space in order to expand the School’s arts, sports and scholastic programs; (3) the payment of capitalized interest on the Bonds; (4) a debt service reserve fund for the Bonds, if required; and (5) the payment of certain costs related to the issuance of the Bonds (collectively, the “Project”), all to be owned by the Organization and leased to the School for operation by the School to provide educational services for students from kindergarten through grade 8, which the expectation to add one grade per year until the School serves kindergarten through grade 12; and

WHEREAS, the sole member of the Organization will initially be the School and it is anticipated that Metropolitan Support Corporation (the “New Member”), a New York not-for-profit corporation that will seek recognition of its status as an organization described in Section 501(c)(3) of the Code, will become the sole member of the Organization after such time,

and to the extent, it is recognized by the Internal Revenue Service as an organization described in Section 501(c)(3) of the Code; 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 School is a not-for-profit education corporation that provides educational services in the City; that there are approximately 52.5 full-time equivalent employees employed by the School at the Facility; that the School expects to hire 21 additional full-time employees within three years; that the financing of the Project costs with the Issuer’s financing assistance will provide savings to the Applicant which will allow it to redirect financial resources to provide educational services and continue its programs with a greater measure of financial security; 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, 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 (Metropolitan Lighthouse Charter School Project), Series 2017, in one or more tax-exempt and taxable series, in the aggregate principal amount of approximately \$33,380,000, 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 (the “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 Organization pursuant to one or more Loan Agreements (collectively, the “Loan Agreement”) to be entered into between the Issuer and the Organization, and (ii) the Organization will execute one or more promissory notes in favor of the Issuer and the Trustee (collectively, the “Promissory Note”) to evidence the Organization’s obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Bonds are to be secured by a mortgage lien on and security interest on the Facility granted by the Applicant, as mortgagor, to the Issuer and the Trustee, pursuant to one or more Mortgage and Security Agreements, Fixture Filing and Assignment of Leases and Rents (collectively, the “Mortgage”), which Mortgage will be assigned by the Issuer to the Trustee pursuant to one or more Assignments of Mortgage and Security Agreement from the Issuer to the Trustee (collectively, the “Assignment of Mortgage”); and

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

Section 1. The Issuer hereby determines that the financing of a portion 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 of 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 tax exempt and/or taxable series, shall be dated as provided in the Indenture, shall be issued as one or more serial and/or term bonds and with respect to the Bonds in an aggregate amount not to exceed \$33,380,000, or such greater amount (not to exceed 10% more than such stated amount), 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, shall be subject to optional redemption 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 December 31, 2052 (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.

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 by the Issuer of revenues and receipts of the Issuer, including loan payments made by the Organization, to the extent set forth in the Loan Agreement and Indenture hereinafter authorized. The Bonds shall be further secured by the Mortgage. The Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the Revenue Fund, 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 Piper Jaffray & Co., or an investment bank to be determined by the Applicant may serve as the underwriter or placement agent ("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 Organization and the Investment Bank, the Loan Agreement, a Letter of Representation and Indemnity Agreement from the Applicant, the Assignment of Mortgage, 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, General Counsel and Vice President for Legal Affairs 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, directors, 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, 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 12. In connection with the Project, the Issuer intends to grant the Applicant financing assistance in the form of the issuance of the Bonds and exemptions or deferrals of mortgage recording tax.

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. 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 date 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. This Resolution constitutes “other similar action” under the provisions of Treasure 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 16. 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 proposed project, an Unlisted action, pursuant to SEQRA and the implementing regulations, will not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons

supporting this determination are as follows:

1. The proposed Project will not result in a substantial adverse change in existing traffic, air quality, or noise levels. The School currently operates in the building and the proposed Project would not result in a significant increase in the school population or the number of employees.
2. The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
4. The proposed Project would not result in a change in existing zoning or land use. The continued use of the building as a school and a rooftop addition would be consistent with zoning and existing land use.
5. The construction of the rooftop addition would not result in any new subsurface disturbance and therefore the proposed Project would not be expected to result in any adverse effects related to hazardous materials.
6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 17. The Issuer recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Issuer herein. The Issuer hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel of the Issuer 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: July 25, 2017

180 W. 165TH STREET LLC

By: _____

Name:

Title:

METROPOLITAN Lighthouse
CHARTER SCHOOL

By: _____

Name:

Title:

Accepted: _____, 2017

Exhibit C



Project Summary

Grace Church School (the "School"), is a New York education corporation that operates an independent co-educational day school serving students in junior kindergarten through grade 12. The School is seeking approximately \$11,500,000 in tax-exempt revenue bonds (the "Series 2017 Bonds"). Proceeds of the Series 2017 Bonds, together with other funds of the School, will be used to (1) finance the renovation and equipping of a 13,500 square foot fourth floor in an approximately 100,450 square foot building leased by the School and located at 46 Cooper Square, New York, New York for use as a gymnasium, locker rooms, and fitness center (the "Facility"); and (2) pay for certain costs related to the issuance of the Series 2017 Bonds. In addition, the School has requested certain changes to the terms of the Build NYC Resource Corporation Revenue Bonds, Series 2013 (2013 Grace Church School Project) originally issued in the amount of \$40,000,000 (the "Series 2013 Bonds") which may result in the reissuance and refunding for federal tax purposes of the Series 2013 Bonds.

Project Locations

46 Cooper Square
New York, New York 10003
(Series 2013 Bonds and Series 2017 Bonds)

84-98 Fourth Avenue
New York, New York 10003
(Series 2013 Bonds)

65 East 10th Street
New York, New York 10003
(Series 2013 Bonds)

Action Requested

- Bond Approval and Authorizing Resolution
- Adopt a Negative Declaration for the proposed project.

Anticipated Closing

Fall 2017

Impact Summary

Employment	
Jobs at Application:	62.0
Jobs to be Created at Project Location (Year 3):	8.5
Total Jobs (full-time equivalents)	70.5
Projected Average Hourly Wage (excluding principals)	\$ 48.23
Highest Wage/Lowest Wage	\$16.48/\$124.51

Estimated City Tax Revenues	
Impact of Operations (NPV 30 years at 6.25%)	\$ 5,772,643
One-Time Impact of Renovation	474,738
Total impact	\$ 6,247,381
Additional benefit from jobs to be created	\$ 753,802

Grace Church School

Estimated Cost of Benefits Requested: New York City		
NYC Forgone Income Tax on Bond Interest		60,034
Corporation Financing Fee		(82,500)
Total Cost to NYC Net of Financing Fee	\$	(22,466)
Estimated Cost of Benefits per Retained Job	\$	(362)

Costs of Benefits Per Job		
Estimated Total Cost of Benefits per Job	\$	(319)
Estimated City Tax Revenue per Job	\$	99,308

Estimated Cost of Benefits Requested: New York State		
NYS Forgone Income Tax on Bond Interest		225,860
Total Cost to NYS	\$	225,860
Overall Total Cost to NYC and NYS	\$	203,394

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	11,500,000	82%
Company Funds	3,600,000	18%
Total	15,100,000	100%

Uses	Total Amount	Percent of Total Costs
Construction Hard Costs	12,300,000	81%
Construction Soft Costs	2,500,000	17%
Costs of Issuance	300,000	2%
Total	\$15,100,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	82,500	
Bond Counsel	135,000	
Annual Corporation Fee	1,250	16,755
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	6,702
Trustee Counsel Fee	5,000	
Total	224,750	23,458
Total Fees	\$248,208	

Financing and Benefits Summary

The Series 2017 Bonds will be directly purchased by ConnectOne Bank. The Series 2017 Bonds will have an anticipated fixed interest rate of approximately 3.30% for approximately fifteen years then reset at the 15 Year FHLBNY Advance Rate +1.25% multiplied by 0.70, with a floor interest rate of 3.30% for an additional 15 years thereafter. The Series 2017 Bonds will be secured by a security interest in all business assets of the School on a parity with the Series 2013 Bonds. As of July 1, 2017, the Series 2013 Bonds are currently outstanding in the aggregate principal amount of \$39,024,451 and bear interest at a rate of 2.940%. Based on an analysis of the School's financial statements, it is expected to have a debt service coverage ratio (including temporarily restricted net assets) of 2.72 times.

Grace Church School

Applicant Summary

The School is an independent coeducational day school of over 740 students drawn from a wide variety of ethnic, economic and religious backgrounds. The School began in 1894 as New York City's first choir boarding school with an enrollment of 16 boys. In the 1930s, the school opened its doors to neighborhood boys who were not choristers. In 1947, the School became co-educational, enrolling boys and girls representing various religious faiths, becoming a member of the Guild of Independent Schools of New York City. Since 1972, the School has been governed by an independent Board of Trustees and has been a fully accredited member of the New York State Association of Independent Schools and the National Association of Independent Schools. The School began to expand its facilities in the 1970s to accommodate a growing student body, an expansion that has continued into the 21st century. In 2005, Grace Church and the school were granted separate and indentured corporate status.

In 2006, the School purchased the buildings that it occupies from Grace Church. In September 2012, the School's High School Division opened its doors at a leased building at 46 Cooper Square to the inaugural ninth grade class, graduating the first class of seniors in May 2016.

George P. Davison, Head of School

Mr. Davison became the Assistant Head of Grace Church School in 1987 and was appointed Headmaster in 1994. Before Grace Church School, Mr. Davison was the Head of the Middle School at The Birch Wathen Lenox School and taught at St. David's School. A graduate of Groton School in Groton, MA, he received a BA in history from Yale University in 1979 and his MA in the history of education from Teachers College of Columbia University. Mr. Davison is involved in a number of professional and community not-for-profit boards. He is a past President of the Guild of Independent Schools of New York and he served as Chair of the Committee of Trustees of the Independent School Admissions Association of Greater New York (ISAAGNY). He spent 10 years on the New York State Association of Independent Schools Commission on Accreditation. He is on the Board of the Windward School and the GO Project. He is a member of the Advisory Board of New York City's Parents in Action. He is also on the NYC Advisory Board of CommonSenseMedia.org.

Frank T. Kamenar, Chief Financial Officer

Mr. Kamenar is a Certified Public Accountant and has been CFO of Grace Church School since November 2004. He was the chief financial officer of Wagner College in Staten Island and Manhattanville College in Purchase, NY, and the Finance Director of The Metropolitan Opera Association. Previously, he was the controller of Pepsi Cola International and a senior audit manager with Ernst & Young. Mr. Kamenar holds a BBA degree from Ohio University and is a member of the American Institute of CPAs and the New York State Association of Independent Schools. Previous affiliations include the National Association of College and University Business Officers, the Eastern Association of College and University Business Officers, and the Advisory Council for Educational and Institutional Insurance Administrators. He has served on several accreditation teams for the New York State Association of Independent Schools.

Olivia Douglas, Board Chair

Ms. Douglas was a managing director at Millennium Partners, a real estate development company specializing in mixed-use urban projects. In addition to previous projects in Manhattan, Boston and Miami, Ms. Douglas most recently oversaw the development of a \$200 million "green" residential condominium project in Battery Park City. Ms. Douglas has a Bachelor's degree in History from Stanford University.

Employee Benefits

The School provides health care benefits, a retirement plan contribution, group life insurance, and dental insurance.

Recapture

Subject to recapture of the mortgage recording tax benefit.

SEQRA Determination

Unlisted action with no significant adverse environmental impacts. Staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Corporation staff.

Grace Church School

Due Diligence

The Corporation conducted a background investigation of the School and found no derogatory information.

Compliance Check:	Compliant
Living Wage:	Exempt
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Private School Policy:	Compliant
Bank Account:	ConnectOne Bank
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Relationships are reported to be satisfactory.
Unions:	Not applicable
Vendex Check:	No derogatory information was found.
Attorney:	Chuck Toto, Esq. Hawkins Delafield & Wood One Gateway Center Newark, NJ 07102
Accountant:	Hope Goldstein Marks, Paneth & Shron 685 Third Ave New York, NY 10017
Consultant/Advisor:	Dev Talvadkar George K Baum & Company 5335 Wisconsin Ave NW Washington, DC 20015
Community Board:	Manhattan, CB 2

Board of Trustees of the School

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Berger, Daniel	Greenfield-Sanders, Karin, Secretary
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Bischof, Eric	Hoffman, Jane
Chamberlin, Leona	Lee, Miyoung, Vice Chair
Davis, Belle Burden	Legorreta, Pablo
Douglas, Olivia, Chair	Majoros, George
Esquenazi-Shaio, Carolina	McCain, Robert, Vice Chair

Grace Church School

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Shevlin, David, **Treasurer**

Sibley, Barbara

Sorensen, Erik

Theiss, R. Mitchell

Towles, Maggie

Walker, George

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Grace Church School

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Living Wage:	Exempt
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Private School Policy:	Compliant
Bank Account:	ConnectOne Bank
Bank Check:	Relationships are reported to be satisfactory.
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Customer Checks:	Relationships are reported to be satisfactory.
Unions:	Not applicable
Vendex Check:	No derogatory information was found.
Attorney:	Chuck Toto, Esq. Hawkins Delafield & Wood One Gateway Center Newark, NJ 07102
Accountant:	Hope Goldstein Marks, Paneth & Shron 685 Third Ave New York, NY 10017
Consultant/Advisor:	Dev Talvadkar George K Baum & Company 5335 Wisconsin Ave NW Washington, DC 20015
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Washington, Felicia



86 Fourth Avenue
New York, NY 10003-5232
Tel (212) 475-5609
Fax (212) 475-2140

Frank Kamenar
Chief Financial Officer

fkamenar@gcschool.org

July 14, 2017

Mr. Kyle Brandon
Project Manager
Build NYC Resource Corporation
110 William Street
New York, NY 10038

Re: Grace Church School, Series 2017

Dear Mr. Brandon,

This letter supplements our application to Build NYC Resource Corporation for a tax-exempt bond financing with respect Phase III of the high school project (the "Project") covering, the premises located at 46 Cooper Square, New York, New York (the "Project Building") for the benefit of Grace Church School ("GCS" or the "School").

GCS is a coeducational independent school founded in 1894. It educates children from junior kindergarten through 12th grade. For the 2016-17 academic year, GCS enrolled 746 students. Thirty-three percent of GCS students identify as individuals of color or a multi-race background, and 29% of the School's student population receives financial aid.

Starting as a PreK-8 school located at 86 Fourth Avenue, GCS has expanded to include a second campus at 46 Cooper Square and offer a college preparatory secondary school, enrolling its first class of ninth grade students in the fall of 2012. In the spring of 2016, GCS graduated its inaugural class of high school students, who gained acceptance and matriculated at some of the most selective colleges and universities in the nation. GCS designed a comprehensive high school curriculum with the intent of making the High School Division among the most desirable in New York City. The academic program was created in line with the GCS's existing programs and mission, with the goal of attracting not only existing GCS families, but also students at other independent schools as well as students at public and parochial schools who would succeed at GCS and benefit from the rigorous but supportive academic program.

The Project is focused on the fourth floor of the high school building, which will be renovated for physical education and will include a full-sized gymnasium, locker rooms, and fitness facilities. Initially, this Project will create employment for three additional full-time people and will allow GCS to continue to expand and grow its High School program. The School currently utilizes temporary space for physical education. Adding the Phase III facilities will allow GCS to expand its athletic and extracurricular offerings, providing a more well-rounded

experience for its students, and alleviate overcrowded conditions at the lower School's existing gym located at 65 East 10th Street. Accessing tax-exempt financing via Build NYC will allow GCS to achieve an attractive cost of borrowing, which will make the Project feasible. The tax-exempt interest rate minimizes the impact on the operating budget, allowing GCS to continue to invest in financial aid, faculty/staff compensation, and its academic program.

Therefore, for the reasons noted above, GCS asks for your support of this Project. Thank you for your attention and for what we hope will be a positive response to our application.

Very truly yours,

A handwritten signature in black ink, appearing to read "Frank Kamenar", with a long, sweeping horizontal stroke at the end.

Frank Kamenar
Chief Financial Officer

Exhibit D

Resolution approving financing of facilities for Grace Church School and authorizing the issuance and sale of approximately \$11,500,000 of Build NYC Resource Corporation Tax-Exempt Revenue Bonds, Series 2017 (Grace Church School Project) and approving the amendment of certain terms of the \$40,000,000 Revenue Bonds, Series 2013 (2013 Grace Church School Project) 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 (the “N-PCL”) 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 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 bases; and (iii) to undertake other projects that are appropriate functions for a non-profit local development corporation for the purpose of relieving and reducing unemployment, promoting 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, lessening the burdens of government and acting in the public interest; and

WHEREAS, on May 14, 2013, the Issuer adopted a resolution (the “Original Resolution”) authorizing, among other things, the issuance of \$40,000,000, or such greater amount (not to exceed 10% more than the stated amount) Revenue Bonds, Series 2013 (2013 Grace Church School Project) (the “Series 2013 Bonds”) for the benefit of Grace Church School, a not-for-profit education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Applicant”) in order to: (a) refund the outstanding New York City Industrial Development Agency (“NYCIDA”) Civic Facility Variable Rate Demand Civic Facility Revenue Bonds (Grace Church School Project), Series 2006 (the “2006 Bonds”) in the approximate amount of \$19,080,000, the proceeds of which, together with other funds of the Applicant, were used to finance the costs of (i) the acquisition, improvement, renovation and equipping of nine contiguous multi-story buildings of approximately 40,000 square feet located at 84-98 Fourth Avenue, New York, New York 10003; (ii) the construction, improvement and equipping of an approximately 14,000 square foot athletic center on the underground level of an approximately 9,510 square foot parcel of land leased by the Applicant, located at 65 East 10th Street, New York, New York 10003 and (iii) paying certain costs of issuance of the 2006 Bonds; (b) refinance a taxable multi-disbursement loan which financed Phase I of the Applicant’s high school construction project, which involved the improving, renovating and equipping of approximately 51,000 square feet of space located on the concourse and first two floors of the 100,450 square foot building located at 46 Cooper Square, New York, New York 10003 and leased by the Applicant (the “Cooper Square Facility”); (c) finance Phase II of the Applicant’s high school construction project, which involved the improving, renovating and equipping of approximately 17,280 square feet of space located on the third floor of the Cooper Square Facility; and (d) paying certain costs of issuance

for the Series 2013 Bonds (collectively, the “Original Project”), operated by the Applicant as a private, co-educational school serving students in junior kindergarten through grade 12; and

WHEREAS, on July 1, 2013, the Issuer issued the Series 2013 Bonds in the amount of \$40,000,000 in connection with its undertaking of the Original Project; and

WHEREAS, the Issuer has now been requested by the Applicant to: (i) permit certain changes to the terms of the Series 2013 Bonds which may result in the reissuance and refunding for federal tax purposes of the Series 2013 Bonds (the “Amendment”); and (ii) issue an additional series of bonds in order to (a) finance the renovation and equipping of a 13,500 square foot fourth floor in an approximately 100,450 square foot building leased by the Applicant and located at 46 Cooper Square, New York, New York for use as a gymnasium, locker rooms, and fitness center (the “2017 Facility”); and (b) pay for certain costs related to the issuance of the bonds (the “2017 Project”); and

WHEREAS, in order to finance or refinance a portion of the costs of the 2017 Project, the Issuer intends to authorize the issuance of Tax-Exempt Revenue Bonds, Series 2017 (Grace Church School Project) (the “Additional Bonds”, and together with the Series 2013 Bonds, the “Bonds”) in an amount presently estimated to be \$11,500,000, or such greater amount (not to exceed 10% more than the stated amount) as may be determined by a certificate of determination of an authorized officer of the Issuer (the “Certificate of Determination”); and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant and the 2017 Project, including the following: that the Applicant is a not-for-profit education corporation that provides services and programs in the City; that the Applicant has approximately 62 full-time equivalent employees at the 2017 Facility; that the financing of the 2017 Project costs with the Issuer’s financing assistance will allow the Applicant to continue its programs with a greater measure of financial security; and that, therefore the Issuer’s assistance is necessary to assist the Applicant in proceeding with the 2017 Project; and

WHEREAS, the Issuer desires to further encourage the Applicant with respect to the financing and/or refinancing of the 2017 Facility, if by so doing it is able to induce the Applicant to proceed with the 2017 Project; and

WHEREAS, pursuant to the Act, the Issuer intends to issue and secure the Additional Bonds under and pursuant to the Indenture of Trust, dated as of July 1, 2013 (the “Original Indenture”), between the Issuer and The Bank of New York Mellon, as trustee (the “Trustee”), and a Supplemental Indenture of Trust, dated a date to be determined (the “Supplemental Indenture”, and, together with the Original Indenture, the “Indenture”), between the Issuer and the Trustee and consented to by the Applicant; and

WHEREAS, the Issuer will loan the proceeds of the Additional Bonds to the Applicant pursuant to a Loan Agreement, dated a date to be determined (the “2017 Loan Agreement”), between the Issuer and the Applicant and consented to by the Trustee, and the Applicant will execute a promissory note in favor of the Issuer and the Trustee (the “2017

Promissory Note”) to evidence the Applicant’s obligation under the 2017 Loan Agreement to repay such loan; and

WHEREAS, in connection with the issuance of the Additional Bonds, the Issuer, the Applicant and the Trustee will enter into a Tax Regulatory Agreement, dated a date to be determined (the “Tax Regulatory Agreement”), between the Issuer and the Applicant and consented to by the Trustee; and

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

Section 1. The Issuer hereby determines that the financing of a portion of the costs of the 2017 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 2017 Project and authorizes the Applicant to proceed with the 2017 Project as set forth herein, which 2017 Project will be financed in part through the issuance of the Additional Bonds of the Issuer, which Additional Bonds will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the 2017 Loan Agreement and the 2017 Promissory Note.

Section 3. To provide for the financing of the 2017 Project, the issuance of the Additional Bonds of the Issuer is hereby authorized subject to the provisions of this Resolution, the Original Indenture and the Supplemental Indenture hereinafter authorized.

The Additional Bonds shall be issued as fully registered bonds in one or more tax-exempt series, shall be dated as provided in the Indenture, shall be issued for tax purposes as one or more serial and/or term bonds and in an aggregate amount not to exceed \$11,500,000, or such greater amount (not to exceed 10% more than such stated amount), 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, shall be subject to optional redemption 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 December 31, 2047 (or as determined by the Certificate of Determination), all as set forth in the Additional Bonds.

The provisions for signatures, authentication, payment, delivery, redemption and number of the Additional Bonds shall be set forth in the Indenture.

Section 4. The Additional 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 Original Indenture and in the 2017 Loan Agreement and the Supplemental Indenture hereinafter authorized. The Additional 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 Fund and such other funds as established under the Indenture (subject to disbursements therefrom in accordance with the 2017 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 Additional Bonds be payable out of any funds of the Issuer other than those pledged therefor.

Section 5. The Additional Bonds may be sold pursuant to a public offering or a private placement and George K. Baum & Company or another investment bank may serve as the underwriter or placement agent (“Investment Bank”). The determination as to public offering or private placement, the designation of the Investment Bank, and the purchase price of the Additional Bonds shall be approved by Certificate of Determination.

Section 6. The execution and delivery of the Supplemental Indenture, a Private Placement Memorandum or final Official Statement with respect to the Additional Bonds or supplements to existing offering documents (the “Offering Document”), a Bond Placement Agreement or Bond Purchase Agreement with the Applicant and the Investment Bank, the 2017 Loan Agreement, a Letter of Representation and Indemnity Agreement from the Applicant, and the Tax Regulatory Agreement from the Issuer and the Applicant to the Trustee (the documents referenced in this Section 6 being, collectively, the “Additional Bonds 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 Additional Bonds Issuer Documents. The execution and delivery of each such Additional Bonds Issuer Documents by said officer shall be conclusive evidence of due authorization and approval.

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

Section 8. The execution and delivery of revised Series 2013 Bonds, the Supplemental Indenture among the Issuer and the Trustee, an amendment to the existing Tax Regulatory Agreement among the Issuer, the Trustee and the Applicant or a replacement tax regulatory agreement which may be part of the Tax Regulatory Agreement with respect to the Additional Bonds, and amendments to such other bond documents reflecting revised reset dates and the deletion of put options, or such other changes to the terms of the Series 2013 Bonds as may be requested by the Applicant (the documents referenced in this Section 8 being, collectively, the “Amendment Issuer Documents”; and, together with the Additional Bonds Issuer Documents, the “Issuer Documents”), each being substantially in the form approved by the Chairman, Vice Chairman, Executive Director or General Counsel of the Issuer in consultation with counsel, are hereby authorized. The Chairman, Vice Chairman, Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Amendment Issuer Documents. The execution and delivery of each such Amendment Issuer Documents by said officer shall be conclusive evidence of due authorization and approval.

Section 9. 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, directors, 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 10. 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, the issuance of the Additional Bonds and the Amendment.

Section 11. The Issuer is hereby authorized to cause the Applicant to proceed with the 2017 Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Additional Bonds, all as particularly authorized by the terms and provisions of the 2017 Loan Agreement. The Applicant is authorized to proceed with the 2017 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 12. Any expenses incurred by the Issuer with respect to the 2017 Project and the financing thereof shall be reimbursed out of the proceeds of the Additional Bonds or, in the event such proceeds are insufficient after payment of other costs of the 2017 Project or the Additional Bonds are not issued by the Issuer, shall be paid by the Applicant. Any expenses incurred by the Issuer with respect to the Amendment 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 2017 Project and the financing thereof.

Section 13. In connection with the 2017 Project, the Issuer intends to grant the Applicant financing assistance in the form of the issuance of the Additional Bonds and exemptions or deferrals of mortgage recording tax.

Section 14. Any qualified costs incurred by the Applicant in initiating the 2017 Project shall be reimbursed by the Issuer from the proceeds of the Additional Bonds; provided

that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

Section 15. 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 proposed project, an Unlisted action, pursuant to SEQRA and the implementing regulations, will not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed 2017 Project will not result in a substantial adverse change in existing traffic, air quality, or noise levels. The Applicant currently operates in the building and the proposed 2017 Project would not result in a significant increase in the school population or the number employees.
2. The existing building is located in the NoHo Historic District. On September 25, 2014 (LPC 15-8924), the Landmarks Preservation Commission (LPC) issued a Certificate of Appropriateness approving the proposal to construct the aforementioned rooftop gym; subsequent amendments to the site design were also found to be in line with the original 2014 approval. LPC determined that the proposed changes to the building would not detract from the significant features of the building and that the work proposed is appropriate to the historic district. Therefore, the proposed project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed 2017 Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
4. The proposed 2017 Project would not result in a change in existing zoning or land use.
5. The renovations proposed as part of the 2017 Project would not result in any new subsurface disturbance and therefore the proposed 2017 Project would not be expected to result in any adverse effects related to hazardous materials.
6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 16. 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 Sections 6 and 8 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 12, 14 and 17 hereof) unless (i) prior to the expiration date of such year the Issuer

shall (x) have issued the Additional Bonds for the 2017 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 2017 Project.

Section 17. This Resolution constitutes “official intent” under the provisions of Treasure Regulation 1.150-2 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 2017 Project and the Additional Bonds.

Section 18. 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 of the Issuer 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 19. This Resolution shall take effect immediately.

ADOPTED: July 25, 2017

GRACE CHURCH SCHOOL

Name:
Title:

Accepted: _____, 2017

Exhibit E

Project Summary

Mary McDowell Friends School (the "School") is an independent coeducational school serving special needs students from kindergarten through Grade 12. The School is seeking an approximately \$20,800,000 tax-exempt note (the "Note"), the proceeds of which, together with other funds of the School, will be used to finance the (1) demolition of an approximately 5,340 square foot building located on an approximately 2,000 square foot parcel of land located at 18 Bergen Street, Brooklyn, New York 11201 (the "18 Bergen Street Facility"), (2) construction, equipping, and furnishing of an approximately 5,971-square-foot addition to an existing 5-story, approximately 27,507 square foot building located on a 5,000 square foot parcel of land located at 20 Bergen Street, Brooklyn, New York 11201 (the "20 Bergen Street Facility"), (3) renovation of a 37,596 square foot building located on an approximately 13,479 square foot parcel of land located at 23 Sidney Place, Brooklyn, New York 11201 a.k.a 27 Sidney Place, Brooklyn, New York 11201 (the "23 Sidney Place Facility"), (4) refunding of all or a portion of the Build NYC Resource Corporation Revenue Bonds (Series 2013 Mary McDowell Friends School Project) in the current outstanding principal amount of approximately \$7,000,000, the proceeds of which were used to: (a) refinance a taxable mortgage loan used to finance (i) the acquisition, improvement, renovation and equipping of the 20 Bergen Street Facility for use as classrooms, offices and other School facilities and (ii) the improvement, renovation, and equipping of a portion of the 23 Sidney Place Facility for use as classrooms, offices and other School facilities, and (b) finance (i) classrooms, offices and other facilities at the 23 Sidney Place Facility and a 3-story 7,353 square foot building located at 21 Sidney Place, Brooklyn, New York 11201 (the "21 Sidney Place Facility"), and (ii) a walkway between the 23 Sidney Place Facility and the 21 Sidney Place Facility, (5) payment of a swap termination fee, and (6) payment of certain costs related to the issuance of the Note and other costs relating to the Facility (collectively, the "Project"). The School will own and operate the 18 Bergen Street Facility and 20 Bergen Street Facility and lease and operate the 21 Sidney Place Facility and 23 Sidney Place Facility (collectively, as part of an integrated educational institution).

Current Locations

- 18-20 Bergen Street, Brooklyn, New York 11201
- 21-23 Sidney Place, Brooklyn, New York 11201
- 133-135 Summit Street, Brooklyn, New York 11201

Project Locations

- 18-20 Bergen Street, Brooklyn, New York 11201
- 21-23 Sidney Place, Brooklyn, New York 11201

Actions Requested

- Bond Approval and Authorizing Resolution
- Approval of waiver of Section 7 of the Build NYC Resource Corporation Private School Policy
- Adopt a Negative Declaration for this project. No significant adverse environmental impacts.

Anticipated Closing

August 2017

Impact Summary

Employment	
Jobs at Application:	127
Jobs to be Created at Project Location (Year 3):	16
Total Jobs (full-time equivalents)	143
Projected Average Hourly Wage (excluding principals)	\$ 37.11
Highest Wage/Lowest Wage	\$68.57/hr; \$21.98/hr
Estimated City Tax Revenues	
Impact of Operations (NPV 30 years at 6.25%)	\$ 11,506,436
One-Time Impact of Renovation	573,970
Total impact	\$ 12,080,406
Additional benefit from jobs to be created	\$ 1,326,257

Mary McDowell Friends School

Estimated Cost of Benefits Requested: New York City		
MRT Benefit	\$	338,000
NYC Forgone Income Tax on Bond Interest		121,408
Corporation Financing Fee		(129,000)
Total Cost to NYC Net of Financing Fee	\$	330,408
Estimated Cost of Benefits per Retained Job	\$	2,602

Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Total Jobs	\$2,311
Estimated City Tax Revenue per Total Jobs	\$93,753

Estimated Cost of Benefits Requested: New York State		
MRT Benefit	\$	244,400
NYS Forgone Income Tax on Bond Interest		456,763
Total Cost to NYS	\$	701,163
Overall Total Cost to NYC and NYS	\$	1,031,571

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Tax-exempt note proceeds	\$ 20,800,000	81%
School funds	5,000,000	19%
Total	\$ 25,800,000	100%

Uses	Total Amount	Percent of Total Costs
Hard costs	\$ 13,600,000	53%
Refunding of 2013 tax-exempt bonds	7,000,000	27%
Soft costs	3,300,000	13%
Furnishings and equipment	1,100,000	4%
Costs of issuance	500,000	2%
Swap termination fee	300,000	1%
Total	\$ 25,800,000	100%

Fees

	Paid at Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$ 129,000	
Bond Counsel	135,000	
Annual Corporation Fee	1,250	16,756
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	6,702
Trustee Counsel Fee	5,000	
Total	271,250	23,458
Total Fees	\$ 294,708	

Mary McDowell Friends School

Financing and Benefits Summary

The Note will be directly purchased by First Republic Bank. The Note will have an anticipated fixed interest rate of 3.25% for thirty years. The Note will be secured by a mortgage on the 20 Bergen Street Facility and by certain assets, including unrestricted revenues receivable, of the School. Based on an analysis of the School's financial statements, it is expected to have a debt service coverage ratio of 3.25x.

Applicant Summary

The School is an independent Quaker school for students with learning disabilities. The School was founded in 1984 and serves about 380 students from kindergarten through grade 12. The School is the only K-12 school in Brooklyn for students with learning disabilities. The School opened a middle school in September 2005, and in 2007 opened a new lower elementary division, consisting of three new classes for 30 students. In the fall of 2010, the School opened its upper school. The Project will enable the School to expand its elementary school at the 20 Bergen Street Facility to provide additional classroom, physical education, and lunchroom space as well as upgraded science and art rooms. As part of the Project the School will also relocate offices from the 23 Sidney Place Facility to the 20 Bergen Street Facility which will create additional classroom space for the upper school.

Debbie Zlotowitz, Head of School

Ms. Zlotowitz has served as Head of School since 1993. Prior to her current position she has served as Director of the Family Learning Center at Project Reach and principal of the Churchill School. Ms. Zlotowitz is a member of several boards including the New York State Association of Independent Schools, West End Day School, Bank Street College of Education, and the Board of Friends Council on Education. Ms. Zlotowitz has a Bachelor's of Arts in Speech Pathology and Audiology from the State University of New York at Buffalo and a Master of Science in Special Education with a certificate in Reading from Buffalo State College. She also has a certification as a School Administrator from Bank Street College of Education.

Mark Betz, Interim Chief Financial Officer

Mr. Betz began his term as Interim Chief Financial Officer in September 2016 and will remain in this position until the end of fiscal year 2017 and will remain as an adviser thereafter. Prior to his current position Mr. Betz spent 23 years as the Assistant Superintendent for Business and Administrative Services with the Bedford School District in Westchester County. He has also served as a consultant and adjunct professor in school financial management at Pace University, Bank Street College, and Columbia University's Teachers College. Mr. Betz has a Bachelor of Science in Education from the University of Connecticut and a Master of Science in School Administration and Supervision from the College of New Rochelle with an additional Professional Diploma in School District Administration. He holds a permanent certification with the New York State Education Department as a School District Administrator.

Horace Knight, Permanent Chief Financial Officer

Mr. Knight began serving as Permanent Chief Financial Officer in fiscal year 2018. Mr. Knight has served the School as financial controller and senior accountant since 2008. Prior to his work with the School Mr. Knight was an accountant with the Fuoco Group LLP. Mr. Knight has a Bachelor of Science in Public Accounting and a minor in Business Administration from Brooklyn College and he is a Certified Public Accountant.

Avis Hinkson, Clerk of the Board of Trustees

Ms. Hinkson joined the Board of Trustees in 2012 and became the Clerk of the Board of Trustees in 2016. Ms. Hinkson is the Dean of the College at Barnard College and has served in this position since 2011. Prior to this position she was the Director of Undergraduate Advising at University of California at Berkeley and Dean of Enrollment at Mills College in Oakland California. She is the Assembly Chair for the Committee on Financing Higher Education. Ms. Hinkson has a Bachelor of Arts in Psychology from Barnard College, a Masters of Arts from Teachers College at Columbia University and a Doctorate of Education from the University of Pennsylvania.

Employee Benefits

Employees receive medical benefits, employer contributions to retirement plans, tuition reimbursement, professional development, and life insurance coverage.

Mary McDowell Friends School

Recapture

Subject to recapture of the mortgage recording tax benefit.

Waiver from Section 7 of Build NYC Private School Policy

The School is requesting a waiver from Section 7 of the Build NYC Private School Policy requiring that Private Schools with maximum tuition greater than the Tuition Threshold (\$14,457) meet certain financial aid requirements. As a school serving special needs students, parents have the option of paying tuition upfront and receiving reimbursement by the Department of Education or, if they are unable to pay tuition upfront, the Department of Education pays tuition directly to the School. As a result the School does not provide traditional forms of financial aid, however all parents receive some form of aid through governmental sources.

SEQRA Determination

No significant adverse impacts, staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Corporation staff.

Due Diligence

The Corporation conducted a background investigation of the School and its principals and found no derogatory information.

Compliance Check:	Compliant
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Private School Policy:	Compliant with Sections 1 to 6 and Section 8
Bank Account:	Santander, RBS Citizens Bank
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Not applicable
Customer Checks:	Not applicable
Unions:	Not applicable
Vendex Check:	No derogatory information was found.
Attorney:	Valarie Allen Ballard Spahr LLP 1735 Market Street Philadelphia, Pennsylvania 19103
Accountant:	Larry Rozanski Loeb and Troper, LLP 655 Third Avenue 12 th Floor New York, New York 10017
Consultant:	Dan Froehlich Janney Montgomery Scott, LLC 575 Lexington Avenue 15 th Floor New York, New York 10022
Community Board:	Brooklyn, CB #2

Mary McDowell Friends School

Board of Trustees

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Sue Wolfe

Susan L. Weiner, Trustee Emerita

Debbie Zlotowitz, Head of School



June 5, 2017

Mr. Krishna Omolade
Project Manager Strategic Investments Group
NYC Economic Development Corporation
110 William Street
New York, N.Y. 10038

Re: Mary McDowell Friends School Inducement Letter

Dear Mr. Omolade:

The Mary McDowell Friends School is seeking tax-exempt bond financing through Build NYC for its exciting expansion of its Elementary School facilities, partial renovations to convert office space into much needed classroom space at its Upper School facility, and refinancing of its current loan debt formerly used to fund renovation work at its upper school.

Without the availability of bond financing through Build NYC, it is not likely this Project would be able to be undertaken. Higher cost taxable debt would cost Mary McDowell Friends School over \$5 million more for financing this project. The School's cash reserves would be tied up in the Project leaving the School with a lower level of financial liquidity, a level at which the School's management and Board of Trustees would not be comfortable. This lower liquidity could jeopardize the School's ability to continue to maintain and enhance the services it provides to its student body.

The School's Project has the following benefits:

- Mary McDowell Friends School is unique in its provision of a K-12th grade program in Brooklyn for students with learning disabilities. MMFS provides much needed specialized educational services to students with learning disabilities from all five boroughs of New York City, and from Long Island. Many of these students' needs are not able to be met at other independent schools or in the public school system. Build NYC's support of this project will help ensure continuation and enhancement of these specialized services in the much needed improvements to our facilities.
- Currently Mary McDowell Friends School employs 168 full-time and 10 part-time teachers and other staff to work in the New York City area. It is expected that will grow to 176 full-time and 10 part-time staff members after completion of this Project.

- While the expansion and alterations to our Elementary School are designed to mostly address critical deficits in space and teaching quarters, additional space will provide an opportunity to add 15-20 more students, predominantly from New York City, who are in desperate need for a specialized educational program they cannot receive elsewhere.

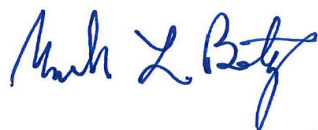
In order to finance the project described in the School's application to Build NYC, the School undertook a comprehensive request for financing proposals. Twelve different banks provided very competitive term sheet proposals. Through review of these proposals, the School's management and Board of Trustees decided tax-exempt bond financing represented the best and most affordable option to finance the Project.

With fiscal year ending June 30, 2017, the School anticipates recording an operating surplus of more than \$1.5 million before debt service and depreciation. While projected surpluses in future years are expected to fluctuate to some degree, the School anticipates generating sufficient cash flow from its operating budget to service the \$20.8 million of debt at an annual interest rate of 2.45%. Repayment of debt is not dependent on capital campaign receipts or other outside sources of funding.

I would like to address any concerns that might arise about Mary McDowell Friends School not meeting the financial aid criteria listed under the *Private School Questions* section in the Build NYC Core Application. As a school providing specialized services for students with learning disabilities, it is essential that we keep our class sizes quite low to meet the individual needs of students. With 8 to 10 students typically assigned to classes consisting of a head teacher and assistant teacher, our staffing costs naturally are higher than most other schools. In addition, specialized teaching staff for pull-out services like speech and language therapy and other academic supports add to those costs. As a result our tuition costs are much higher than a typical independent school just to meet our higher operating costs. While MMFS does not allocate 12% of gross tuition revenue to financial aid, it takes on the risk of offering a Connors student status to 15% of its enrolled students. That is where a low income family will be granted enrollment and MMFS will wait to receive full tuition reimbursement directly from the DOE if it is eventually granted. We can wait more than a year to receive those funds and those funds are not guaranteed. The other 85% of students are eligible to apply for financial aid. It is important to note that in most cases, because these students' placement in a public school cannot legally meet their specific educational needs, the cost of their MMFS education is most often partially reimbursed to their families. As a result, we get a small percentage of those families that even apply for financial aid. However, with those that do apply and qualify, 2% to 4% of our non-Connors designated families receive on the average a financial aid tuition reduction of 25% to 35%.

Build NYC has been essential to the success of our capital undertakings in the past. We look forward to continuing our work together toward providing facilities that meet important educational services to students with very specialized needs.

Sincerely,



Mark L. Betz
Interim Chief Financial Officer

Exhibit F

Resolution approving financing and refinancing of facilities for Mary McDowell Friends School and authorizing the issuance and sale of approximately \$20,800,000 of the Build NYC Resource Corporation's Tax-Exempt Revenue Notes (Mary McDowell Friends School Project) 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, Mary McDowell Friends School, a not-for-profit education corporation (the "Applicant" or the "Borrower"), has entered into negotiations with officials of the Issuer with respect to the financing of the costs of the (1) demolition of an approximately 5,340 square foot building located on an approximately 2,000 square foot parcel of land located at 18 Bergen Street, Brooklyn, New York 11201 (the "18 Bergen Street Facility"), (2) construction, equipping, and furnishing of an approximately 5,971-square-foot addition to an existing 5-story, approximately 27,507 square foot building located on a 5,000 square foot parcel of land located at 20 Bergen Street, Brooklyn, New York 11201 (the "20 Bergen Street Facility"), (3) renovation of a 37,596 square foot building located on an approximately 13,479 square foot parcel of land located at 23 Sidney Place, Brooklyn, New York 11201 a.k.a 27 Sidney Place, Brooklyn, New York 11201 (the "23 Sidney Place Facility" and together with the 18 Bergen Street Facility, the 20 Bergen Street Facility, the "Facilities"), (4) refunding of all or a portion of the Build NYC Resource Corporation Revenue Bonds (Series 2013 Mary McDowell Friends School Project) in the current outstanding principal amount of approximately \$7,000,000, and (5) costs related to the issuance of the Issuer Debt Obligations (as defined herein) (collectively, the "Project"); 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 Applicant is a not-for-profit education corporation that provides education services to students in kindergarten through grade twelve in

the City; that the Applicant currently has approximately 127 full-time equivalent employees at the Facilities and expects to hire 16 additional employees; that the financing of the Project costs with the Issuer's financing assistance will allow the Applicant to continue its programs with a greater measure of financial security; 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 Borrower with respect to the financing of the Facility and to proceed with the Project; and

WHEREAS, in order to finance a portion of the cost of the Project, the Issuer intends to issue one or more Tax-Exempt Revenue 2017 Notes (Mary McDowell Friends School Project), in the aggregate principal amount of \$20,800,000 (or such greater principal amount not to exceed 10% more than such stated amount) (the "Issuer Debt Obligations") in one issuance or from time to time as a draw-down note as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination"), all pursuant to a Master Loan Agreement (the "Loan Agreement") to be entered into among the Issuer, either or both of the Borrower and First Republic Bank, as purchaser of the Issuer Debt Obligations (the "Lender"), and not including an indenture of trust, and the Borrower will execute one or more promissory notes in favor of the Issuer and the Lender (collectively, the "Promissory Note") to evidence the Borrower's obligation under the Loan Agreement to repay such loan, and the Issuer will endorse the Promissory Note to the Lender; and

WHEREAS, the Issuer Debt Obligations and the Promissory Note are to be secured by the pledge effected by the Loan Agreement and a pledge and security interest in certain revenues and assets of the Borrower pursuant to a Security Agreement from the Borrower to the Lender and/or the Issuer, which may be assigned to the Lender (the "Security Agreement") pursuant to an Assignment of Security Agreement (the "Assignment of Security Agreement"); and

WHEREAS, the Issuer Debt Obligations and the Promissory Note are to be sold to the Lender (or such other financial institution as shall be approved by Certificate of Determination).

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

Section 1. The Issuer hereby determines that the financing of the costs of the Project by the Issuer will promote and is authorized by and will be in furtherance of the corporate purposes of the Issuer.

Section 2. The Issuer hereby approves the Project and authorizes the Borrower to proceed with the Project as set forth herein, which Project will be financed in part through the issuance of the Issuer Debt Obligations, which Issuer Debt Obligations may be issued from time to time and 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 Issuer Debt Obligations by the Issuer is hereby authorized subject to the provisions of this Resolution and the Loan Agreement.

The Issuer Debt Obligations in one or more series shall be issued as fully registered note(s) issuable as one issuance or as a draw-down note, shall be dated its date of issuance, shall be in an aggregate principal amount not to exceed \$20,800,000, shall be payable as to principal and interest as provided in the Loan Agreement, shall bear interest at such annual fixed rate(s) as determined by the Certificate of Determination but not to exceed five percent (5%), shall be payable as provided in the Loan Agreement until the payment in full of the principal amount thereof and shall mature approximately thirty (30) years from the date of issuance of the Issuer Debt Obligations (or as determined by the Certificate of Determination), all as set forth in the Issuer Debt Obligations. Other applicable provisions shall be set forth in the Loan Agreement.

Section 4. The Issuer Debt Obligations shall be secured by the pledge effected by the Loan Agreement and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts of the Borrower to the extent set forth in the Loan Agreement hereinafter authorized. The Issuer Debt Obligations, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Loan Agreement, including from moneys deposited in the funds as established under the Loan Agreement (subject to disbursements therefrom in accordance with the Loan Agreement), 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 Issuer Debt Obligations be payable out of any funds of the Issuer other than those pledged therefor. The Issuer Debt Obligations are further secured pursuant to the Security Agreement.

Section 5. The Issuer Debt Obligations are hereby authorized to be sold to the Lender at a purchase price equal to the principal amount of the Issuer Debt Obligations or such other purchase price as determined by Certificate of Determination.

Section 6. The execution and delivery of the Loan Agreement, the endorsement of the Promissory Note, the Assignment of the Security Agreement and the Tax Regulatory Agreement from the Issuer and the Borrower to the Lender (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 or 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. 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 Issuer Debt Obligations shall be liable personally on the Issuer Debt Obligations 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 Issuer Debt Obligations.

Section 9. The Issuer is hereby authorized to cause the Borrower to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Issuer Debt Obligations, all as particularly authorized by the terms and provisions of the Loan Agreement. The Borrower is authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by the Borrower 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 Borrower 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 Issuer Debt Obligations or, in the event such proceeds are insufficient after payment of other costs of the Project or the Issuer Debt Obligations are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid by the Borrower. By accepting this Resolution, the Borrower 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 11. In connection with the Project, the Issuer intends to grant the Borrower financing assistance in the form of issuance of the Issuer Debt Obligations and exemptions of mortgage recording tax.

Section 12. Any qualified costs incurred by the Borrower in initiating the Project shall be reimbursed by the Issuer from the proceeds of the Issuer Debt Obligations; 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 13. The Issuer has determined that the proposed action is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(8), ‘routine activities of educational institutions, including expansion of existing facilities by less than 10,000 square feet of gross floor area...’ which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

Section 14. This Resolution is subject to the approval of a private investigative report with respect to the Applicant and the Company, 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 Notes for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Applicant and the Company shall be continuing to take affirmative steps to secure financing for the Project.

Section 15. 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 Notes.

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.

ADOPTED: July 25, 2017

[SIGNATURE PAGE TO FOLLOW]

Accepted: July __, 2017

MARY MCDOWELL FRIENDS SCHOOL

By: _____
Name:
Title: