

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  
JUNE 12, 2018

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

Brian Cook, alternate for Scott M. Stringer,  
Comptroller of The City of New York  
Marlene Cintron  
Khary Cuffe  
Albert De Leon  
Andrea Feirstein  
Jacques-Philippe Piverger  
Carl Rodrigues, alternate for Alicia Glen,  
Deputy Mayor for Housing and Economic Development of The City of New York  
Betty Woo, alternate for Zachary W. Carter, Esq.,  
Corporation Counsel of The City of New York

The following directors were not present:

James Patchett, Chairman  
Barry Dinerstein, alternate for Marisa Lago  
the Chair of the City Planning Commission of The City of New York  
Robert Santos  
Shanel Thomas

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

Eric Clement, a Senior Vice President of NYCEDC, convened the meeting of the Board of Directors of Build NYC (the “Corporation”) at 9:32 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the April 10, 2018 Board of Directors Meeting

Mr. Clement asked if there were any comments or questions relating to the minutes of the April 10, 2018 Board of Directors meeting. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for April 30, 2018 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Corporation's Financial Statements for the ten-month period ending April 30, 2018 (Unaudited). Ms. Butler stated that in the ten-month period, the Corporation recognized approximately \$1,300,000 in revenue from thirteen transactions. Ms. Butler stated that income derived from compliance, application, post-closing, and other fees totaled \$216,000 for the one-month period. Ms. Butler stated that the Corporation recognized \$2,700,000 in total expenditures for the ten-month period ending in April 30, 2018, consisting of the monthly management fee. Ms. Butler stated that the Corporation recognized \$30,000 in special project costs under the advanced manufacturing technology grant program that was approved by the Board at the May 12, 2015 meeting.

3. Audit Committee Member Appointment

Krishna Omolade, an Assistant Vice President of NYCEDC and Deputy Executive Director of the Corporation, presented for review and adoption a resolution to appoint Khary Cuffe as a member of the Corporation's Audit Committee. A motion was made to adopt the resolution, which motion was seconded and unanimously approved.

4. Presentation regarding Fiscal Year 2019 Board Meeting Dates

Emily Marcus, a Project Manager for NYCEDC, presented for review the Board and member meeting dates for Fiscal Year 2019, attached hereto as Exhibit A. There were no comments or questions.

5. Approval of Annual Contract with NYCEDC

Mr. Omolade presented for review and approval the Corporation's Annual Contract with NYCEDC (the "Contract"), pursuant to which NYCEDC would provide administrative services to the Corporation in support of the Corporation's programs. Mr. Omolade stated that under the Contract, NYCEDC provides services to the Corporation such as project management, legal and accounting services.

There being no further comments or questions, a motion to approve the Corporation's Annual Contract with NYCEDC attached hereto as Exhibit B, as submitted, was made, seconded and unanimously approved.

6. Approval of Investment Guidelines Policy

Mr. Omolade presented for review and approval the Corporation's Investment Guidelines Policy, as required by the Public Authorities Accountability Act.

7. Approval of Disposition of Personal Property Policy

Mr. Omolade presented for review and approval the Corporation's Disposition of Personal Property Policy, as required by the Public Authorities Accountability Act.

8. Approval of the Acquisition and Disposition of Real Property Policy

Mr. Omolade presented for review and approval the Corporation's Acquisition and Disposition of Real Property Policy, as required by the Public Authorities Accountability Act.

9. Approval of the Procurement Policy

Mr. Omolade presented for review and approval the Corporation's Procurement Policy, as required by the Public Authorities Accountability Act.

10. Mission Statement and Performance Measurements

Mr. Omolade presented for review and approval the Corporation's Mission Statement and Performance Measurements, as required by the Public Authorities Accountability Act.

There being no comments or questions, a motion to approve the Corporation's Investment Guidelines Policy attached hereto as Exhibit C, Disposition of Personal Property Policy attached hereto as Exhibit D, Acquisition and Disposition of Real Property Policy attached hereto as Exhibit E, Procurement Policy attached hereto as Exhibit F and Mission Statement and Performance Measurements attached hereto as Exhibit G was made, seconded and unanimously approved.

11. Board of Directors' Self-Evaluation Survey

Ms. Marcus presented the Board of Directors' Self-Evaluation Survey (the "Survey") attached hereto as Exhibit H, which was reviewed and approved by the Governance Committee. Ms. Marcus stated that the Survey was required under the Public Authorities Accountability Act.

Ms. Woo stated that this survey is the same as last year and that the results were the same as the year before. Ms. Woo stated that some Board members felt there were a couple questions for which they wanted more input so the Governance Committee would work with any Board members who have questions. Ms. Woo explained that the long response time will give the Board sufficient time to respond to any questions.

12. 1005 Intervale Avenue LLC and Bronx Lighthouse Charter School

Jenny Osman, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$12,000,000 tax-exempt and taxable revenue bond issuance for the benefit of 1005 Intervale Avenue LLC and Bronx Lighthouse Charter School. Ms. Osman recommended the Board adopt a SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required. Ms. Osman described the project and its benefits as set forth in Exhibit I.

Ms. Feirstein stated that the Finance Committee felt that this was a very straight forward project. On behalf of the Finance Committee, Ms. Feirstein 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 the 1005 Intervale Avenue LLC and Bronx Lighthouse Charter School attached hereto as Exhibit J was made, seconded and unanimously approved.

13. Blue School Real Estate, LLC and Blue School

Nicholas Lyos, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$4,200,000 tax-exempt revenue bond issuance for the benefit of the Blue School Real Estate, LLC and Blue School (the "School") and recommended the adoption of a SEQRA determination that the proposed project is an unlisted action and therefore no further environmental review is required. Mr. Lyos described the project and its benefits as set forth in Exhibit K.

Ms. Feirstein thanked Corporation staff for their hard work on this project and presented the Finance Committee's view of the project: The project involves additional financing because the School is over budget on some of their estimated build-out costs. The Board initially approved this transaction in 2016 when it was a start-up school, and at the time the Finance Committee felt the goal of doubling the number of attendees at the School was a little ambitious. The debt service coverage is based on the assumption that the School will hit 684 students and the current enrollment is 300 students. In response to a question from Mr. Cuffe, Mr. Lyos stated that the School is opening the facility this year which will allow them to reach their 684-student estimate. In response to a question from Mr. Cuffe, Mr. Lyos stated that the School's CFO believes they will meet the target enrollment because of the increased population growth in lower Manhattan and that their first graduating eighth grade class had very strong placement in the City's high schools. In response to a question from Mr. Cuffe, Mr. Lyos stated that he would find out the number of applications for current enrollment with the School for the Board. In response to a question from Mr. Cuffe, Ms. Feirstein stated that the Finance Committee believes the range of debt service coverage ratio for projects should be somewhere between 1.20 and 1.25. Mr. Omolade stated that the debt service coverage ratio

for this project is within the guidelines of the Corporation and is consistent with past projects presented to the Board. Ms. Feirstein continued that the Finance Committee feels the borrowing cost is high, which is an indication of the lender's views of the transaction. The terms of this tax-exempt bond are thirty years at 7.25% which is 50 basis points higher than when the project was first brought to the Board in 2016. The interest rates have not changed since 2016. However, the School doubled contributions to their capital campaign and they have a debt service reserve fund that would cover their debt service for a year. Ms. Feirstein stated that the Finance Committee feels that if this is a school that the City wants to support then they recommend the Board should support it. Ms. Feirstein wanted to inform the Board of all the facts before making a determination and that the School has not hit the milestones that it should.

Mr. Omolade stated that the Board first approved this transaction in 2016 with the goal of opening by September 2018. This project will reimburse the School for their expenses to complete their project and finalize their school. One of the key things that Corporation staff look at is school performance and this School has been very successful in educating students and making sure that students who leave the School after eighth grade are successful in attending some of the most exclusive and high-standards high schools in the City. The School's track record of educating students gives Corporation staff confidence that they will be able to grow and meet their expected enrollment.

In response to a question from Mr. Cuffe, Mr. Lyos stated that he would contact the school and give their student high school placement data to the Board. Mr. Lyos stated that the school is in compliance with the Corporation's facility sharing program as part of the Corporation's mandate to provide a greater social benefit with these schools. The new facilities would be open to the greater public on certain dates and would be available to other schools. Mr. Piverger stated that a majority of the School's students qualify for a free lunch, which speaks to economic diversity. Mr. Omolade stated that a portion of the School will be sub-leased to a school which provides education for developmentally disabled students. Mr. Lyos stated that the School will place students based on a lottery system. In response to a question from Ms. Cintron, Mr. Lyos stated that the School has more space than they need, which is part of the reason they're moving to a new space, and that the revenue projections in the future will be better since the School is leasing the space. Ms. Feirstein stated that the sizing is based on this anticipated enrollment. Ms. Feirstein stated that she supports the project but not just due to the Corporation's policy. She stated that the School's one-year track record to place students in high-level prestigious schools gives her confidence to support the project. The lower Manhattan area needs an institution like the School due to an absence of options for Kindergarten through Grade 8 school programs. On behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

Ms. Cintron stated that she was concerned about the School's initial placement because of where it was being built and the machinations that they had to go through to actually build it. Ms. Feirstein stated that this explains the cost overruns of the project. Ms. Cintron stated that this educational institution has a fiscal responsibility. She supports educational

organizations and approved the project in 2016, but with a lot of trepidation. She wants to support educational institutions that can manage these kinds of issues and that this School asking for more financing two years later raises a lot of concerns. The Board should consider how much credit the Corporation is giving to an institution that has some placement success in light of the fact that it has only been there for one year.

Mr. Omolade stated that the School has been around since 2006. Ms. Feirstein stated that the School had its first 8<sup>th</sup> grade graduating class this year. Mr. Cook stated that he is aware of the School's anticipated revenue growth and expense growth, the debt service coverage ratio and the School's ability to reach their projections and stabilize. The Board approved a very large bond financing for this School in 2016 and the Board accepted the School's projections and the growth. Mr. Cook stated that he is aware of the dearth of schools in this area and that the reaction from the community to the opening of the School was positive. It is likely the School will be able to increase enrollment from the local population since there is major growth in the residential area, but if the Board does not approve this project then the School will be stuck with a larger interest rate. At that point, the Board would be complicit in potentially shutting down a school, something that the community would react badly to. Mr. Cuffe stated that Mr. Cook might be correct, but the other perspective is that the Board is enabling a business that's not doing well to continue to not do well. Mr. Cuffe stated that he appreciates the School is educating students and doing well but that he is concerned that the Board is continuing to enable an organization that is really good at educating but not good at running a business or at managing its financial situation. Mr. Clement stated that he would not characterize the School as not being good at running a business since the bonds were only issued two years ago and at the end of the day they provide their growth as projections. Mr. Cook stated that he was more concerned if the debt-coverage ratio was below 1.2. Ms. Feirstein stated that the Finance Committee is aware the School is over budget on their project and not due to an operating deficit or a cash-flow issue.

Ms. Feirstein stated that she would not characterize the School as not being able to run the business well. This this is a project that, when we think about diligence and monitoring, requires more scrutiny. The Board reviewed this project two years ago and approved a \$51 Million bond issuance on their behalf with a high debt cost. This isn't an ideal candidate but the Finance Committee is recommending approval and Corporation staff should follow the School's progress very closely. Ms. Cintron stated that the cost to the School is an extraordinary amount of money and that the bonds are not being offered by a well-known house. Mr. Cook stated that this suggests that in the future the Board and Corporation staff should be focusing more on a school's projected student growth.

Mr. Omolade stated that Corporation staff support this project because it will help the School reach all of its goals. Corporation staff reviewed the School's projections and, while they are aggressive, they are reasonable considering the population growth, especially since this is one of the few high-performing independent schools in lower Manhattan and downtown Brooklyn. The School's track record of education and student performance makes it a worthy candidate of the Corporation's financing. The alternative is that the School would have to seek

even more expensive financing, which would have a much greater impact on their financial situation and make it impossible for them to complete this project. Corporation staff understand that there are concerns about the School's financials and aggressive projections and that the City's resources are at stake. But Corporation staff believe that supporting educational institutions is the cornerstone of the Corporation and therefore support this project. Mr. De Leon stated that assuming the project is approved, this is a case that would require special monitoring by NYCEDC's compliance department. Ms. Cintron stated that she would like Corporation staff to keep the Board up to date on the School's progress. Mr. Omolade stated that Corporation staff will continue to monitor this project and make sure that they are meeting their targets and financial obligations. Ms. Cintron stated that if this project is approved then she recommends that the Board should receive an update at the November board meeting with a report of the actual student placements for graduation for this year. In response to a question from Ms. Cintron, Mr. Lyos stated that students have been placed at Stuyvesant High School, Dalton High School, Brooklyn Technical High School, LaGuardia High School, and the Calhoun School. Mr. Lyos stated that he would provide exact numbers to the Board at a later date. Mr. Clement stated that the School has a debt service reserve fund that covers a year's worth of interest, which is important since it speaks to risk mitigation factors in this deal.

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

14. Friends of The American Dream Charter School Inc.

Ms. Marcus presented for review and adoption a bond approval and authorizing resolution for an approximately \$27,000,000 tax-exempt and taxable revenue bond issuance for the benefit of the Friends of The American Dream Charter School Inc. and recommended the adoption of a SEQRA negative declaration that the project would not have a significant adverse effect on the environment. Ms. Marcus described the project and its benefits as set forth in Exhibit M.

Ms. Feirstein stated that the debt service coverage ratio that's projected is based on an estimate of revenue in 2021. Ms. Feirstein stated that the Finance Committee recommends this project for approval because the school is currently at full capacity with 336 students and that there is a waiting list that is greater than 200% of the available spots. The fact that it is a charter school, as opposed to a not-for-profit private institution, made a difference for the Finance Committee. The interest rates are a little high which may reflect the newness of the institution. The lender in this case, or the underwriter, D.A. Davidson is a little more established than Preston Hollow Capital. On behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

Mr. Cuffe stated that the financial projections in 2021 through 2023 say that the debt

service coverage actually gets a little bit worse from 1.21 to 1.18. In response to a question from Mr. Cuffe, Mr. Omolade stated that Corporation staff are comfortable with these projections since there is a slight decrease in the debt service after they start paying principal on the bonds. In response to a question from Mr. Cuffe, Mr. Omolade stated that the school's projections anticipate a stable debt service coverage and stable expenses going forward. Mr. Omolade stated that the school will be able to maintain the 1.18 debt service coverage ratio and that the difference between the 2021 and 2022 projections is that by 2022 the school will start paying principal on the bonds. Mr. Cook stated that the school's stable revenue is important because they are just on the line of an acceptable debt service coverage ratio. The school won't need to rely as much on fundraising and other income. The school's revenue is low but the school doesn't seem reliant on projecting student growth since the school receives funding from New York State and the Federal Government. Mr. Cook concluded that the school is uncomfortably on the line but that given the stability of the revenue sources and projections he feels comfortable supporting the project. Ms. Feirstein stated that the Finance Committee supports the project because of the source of the school's revenue. Mr. Cuffe stated that he is comfortable with the project due to the demand for placement within the school. Mr. Clement stated that the school has a waiting list that is 200% the size of their current enrollment, which will allow the school to increase its student enrollment and thus revenue.

There being no further comments, a motion to approve the bond approval and authorizing resolution and SEQRA determination for the benefit of the Friends of The American Dream Charter School Inc. attached hereto as Exhibit N was made, seconded and unanimously approved.

15. Friends of Hebrew Public Borrower, LLC

Kyle Brandon, a Project Manager for NYCEDC, presented for review and adoption a bond approval and authorizing resolution for an approximately \$32,925,000 tax-exempt and taxable revenue bond issuance for the benefit of the Friends of Hebrew Public Borrower, LLC and 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 O.

Ms. Feirstein stated that this charter school system operates at least two other schools in Harlem and in Bensonhurst. The charter school projected a strong debt service coverage ratio and stable revenues. On behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

In response to a question from Mr. Cook, Mr. Brandon stated that the projections start in 2021 because that's when construction of the school will be complete.

There being no further comments, a motion to approve the bond approval and authorizing resolution and SEQRA determination for the benefit of the Friends of Hebrew Public Borrower, LLC attached hereto as Exhibit P was made, seconded and unanimously approved.



16. New Dawn Charter High School

Mr. Brandon presented for review and adoption a bond approval and authorizing resolution for an approximately \$19,010,000 tax-exempt revenue bond issuance for the benefit of the New Dawn Charter High School and 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 Q.

Ms. Feirstein stated that the Finance Committee reviewed this project and, on behalf of the Finance Committee, Ms. Feirstein 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 the New Dawn Charter High School attached hereto as Exhibit R was made, seconded and unanimously approved.

17. Xaverian High School & The Ryken Educational Center

Mr. Brandon presented for review and adoption a bond approval and authorizing resolution for an approximately \$6,000,000 tax-exempt revenue bond issuance for the benefit of the Xaverian High School & The Ryken Educational Center, approval of a waiver of Section 7 of the Corporation's Private School Policy and recommended the Board adopt a SEQRA determination that the proposed project is a Type II action based upon no significant adverse environmental impacts. Mr. Brandon described the project and its benefits as set forth in Exhibit S.

Ms. Feirstein stated that the Finance Committee reviewed this project and, on behalf of the Finance Committee, Ms. Feirstein recommended approval of this project.

There being no further comments, a motion to approve the bond approval and authorizing resolution, waiver of Section 7 of the Corporation's Private School Policy and SEQRA determination for the benefit of the Xaverian High School & The Ryken Educational Center attached hereto as Exhibit T was made, seconded and unanimously approved.

18. Guidelines for the Funding of Special Projects

Mr. Clement stated that Corporation staff wanted to look into setting guidelines for how the Corporation funds special projects within NYCEDC. There are many groups within the organization that Corporation staff support, both through the Corporation and the New York City Industrial Development Agency (the "Agency" or "NYCIDA"), and the Corporation funds many special projects. The Corporation staff want to set guidelines and parameters around how they decide to fund projects. Mr. Clement stated that Corporation staff are more than happy to talk about this issue and that in general all projects must align with the Corporation's mission. There must be, up front, a clear thesis describing the need that is addressed by the

project and supported by independent quantitative and qualitative data. For some of the past projects there was not a lot of data provided up front so when Board members would ask for progress reports there was less information provided than what might have been expected. Now, Corporation staff will establish a lot of these criteria up front. Corporation staff are also looking for descriptions of key performance indicators and metrics to measure success and will establish all of that up front so that Corporation staff and Board members can be on the same page when progress reports are provided after the projects have been funded. Corporation staff assess how a company is doing based on previously agreed upon metrics, including a description of the experience of the project contractors, additional sources of funding, and future sustainability beyond initial funding. Finally, Mr. Clement stated that the last thing Corporation staff want to do is continuously fund operating cash flow. As these programs become more successful this would only lead to the asks becoming greater. Corporation staff will place priority on projects that have additional sources of funding and have a plan for sustainability in terms of generating cash flow so that the Corporation only funds projects that will be sustainable over the long term, irrespective of the funding by the Corporation or the Agency. Mr. Clement then explained that Corporation staff want to place a “floor” on how low the Corporation’s fund balances should decrease to. That way when events like Superstorm Sandy occur, the Corporation has capital in reserve to be able to help. In order to do that the Corporation can’t spend down the fund balances to zero, and so the intent is to maintain reserves of at least four times the Agency’s annual operating expenses, which, as Mr. Omolade had indicated earlier, is the \$6.6 Million paid to NYCEDC. While the exact amount is different for the Agency and Build NYC, it would be four times the amount that each entity contracted to give NYCEDC, allowing more than enough reserves to meet the Agency’s and Build NYC’s obligations.

Mr. Cook stated that he would like to thank Mr. Clement and Corporation staff for establishing these guidelines. This was something that he had requested for a while so that he knew how low the Corporation’s reserves had dropped. He recognized many of the sort of questions and criteria in these guidelines from the responses and feedback regularly requested by the Board on such projects.

There being no further comments, a motion to approve the Guidelines for the Funding of Special Projects attached hereto as Exhibit U was made, seconded and unanimously approved.

19. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unananimously approved, the meeting of the Board of Directors was adjourned at 10:26 a.m.

*Arthur Hauser*  
Assistant Secretary

Dated: 7/12/18  
New York, New York

**Exhibit A**

**BUILD NYC RESOURCE CORPORATION**

**June 12, 2018**

Meetings of the Board of Directors of the Corporation during Fiscal Year 2019 shall be held on the respective dates indicated below.

Tuesday, July 24, 2018

Tuesday, September 18, 2018

Wednesday, November 07 2018

Tuesday, December 11, 2018

Tuesday, February 12, 2019

Tuesday, April 9, 2019

Tuesday, June 11, 2019

The annual meeting of the Members of the Corporation during Fiscal Year 2019 shall be held on Wednesday, November 07, 2018.

**Exhibit B**

**AGREEMENT**

**between**

**NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION**

**and**

**BUILD NYC RESOURCE CORPORATION**

**FOR FISCAL YEAR ~~2018~~2019**

**Dated as of July 1,**

**~~2017~~2018**

LDCMT-26-8424



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AGREEMENT, dated as of the 1<sup>st</sup> day of July, ~~2017~~2018 between NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION (“EDC”), a corporation incorporated under the Not-for-Profit Corporation Law of the State of New York, having an office at 110 William Street, New York, New York 10038, and BUILD NYC RESOURCE CORPORATION (“BNYC”), a not-for-profit local development corporation incorporated pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York, having an office at 110 William Street, New York, New York 10038.

WHEREAS, BNYC was created and organized for the purposes, *inter alia*, of promoting economic development in the City; and

WHEREAS, EDC provides economic development services to The City of New York pursuant to a contract between The City of New York and EDC, dated as of July 1, 2014, as amended from time to time (the “Master Contract”); and

WHEREAS, BNYC and New York City Economic Development Corporation, a not-for-profit local development corporation incorporated pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (“Old EDC”), entered into an agreement dated as of January 1, 2012 (for the second half of the fiscal year ending June 30, 2012) (the “Original Contract”), whereby BNYC hired Old EDC, as an independent contractor, to provide BNYC and its Board of Directors certain staff and administrative services in support of BNYC’s operations; and

WHEREAS, pursuant to an agreement dated as of July 1, 2012, the parties to the Original Contract renewed the same; and

WHEREAS, on November 1, 2012, the following actions occurred simultaneously: (a) Old EDC merged into New York City Economic Growth Corporation, a New York not-for-profit corporation, (b) New York City Economic Growth Corporation survived as successor in interest

to Old EDC and assumed the rights and obligations of the latter, and (c) New York City Economic Growth Corporation changed its name to “New York City Economic Development Corporation,” which is the party hereinabove defined as “EDC;” and

WHEREAS, pursuant to agreements dated July 1, 2013, July 1, 2014, July 1, ~~2015 and 2015~~, July 1, 2016, ~~and July 1, 2017~~, BNYC and EDC, as successor-in-interest to Old EDC, renewed the Original Contract; and

WHEREAS, BNYC and EDC (as successor-in-interest to Old EDC) desire to renew the contractual relationship between BNYC and EDC by entering into this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, BNYC and EDC agree as follows:

#### ARTICLE I DEFINITIONS

Section 1.1 For the purposes of this Agreement the following terms shall have the respective meanings ascribed to them below:

“Act” shall mean, the Not-for-Profit Corporation Law of the State of New York and in particular Section 1411 thereof.

“Agreement” shall mean this agreement as the same may from time to time be modified, amended, renewed or supplemented in accordance with the provisions contained herein.

“Applicant” shall mean any person, firm, corporation, partnership or association that has submitted an application to BNYC for bond financing by BNYC.

“Base Contract Fee” shall have the meaning provided in Section 5.1(b) of this Agreement.

“BNYC” shall mean Build NYC Resource Corporation, a not-for-profit local development corporation incorporated pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York.

“BNYC Annual Budget” shall mean the statement of annual estimated expenses (as the same may be amended from time), which BNYC shall or may incur for any fiscal year, whether

directly or through EDC, pursuant to this Agreement. The BNYC Annual Budget for the fiscal year ending June 30, ~~2018~~2019 is annexed hereto as Exhibit “A”.

“BNYC Bank Accounts” shall mean all bank accounts of BNYC as of the effective date of this Agreement and all subsequent bank accounts established in accordance with applicable laws and the by-laws of BNYC for the deposit of funds of BNYC.

“Board” shall mean the Board of Directors of BNYC, including any duly designated committee thereof.

“City” shall mean the City of New York, a municipal corporation of the State of New York.

“Corporate Documents and Polices” shall mean, collectively: the certificate of incorporation and the by-laws of BNYC, as either may be amended from time to time; and policies adopted by the Board from time to time.

“Executive Director” shall mean the person elected by the Board of Directors of BNYC as the Executive Director of BNYC, which person shall serve as the chief executive officer of BNYC.

“EDC” shall mean New York City Economic Development Corporation, a New York not-for-profit corporation.

“Fees” shall mean the fees referred to in Section 5.1 hereof.

“Financial Advisor” shall have the meaning assigned to such term in Section 2.3(d) of this Agreement.

“Master Contract” shall mean the contract between The City of New York and EDC, dated as of ~~July 1, 2016~~June 30, 2017 as amended from time to time.

“Services” shall have the meaning provided in Section 2.1 of this Agreement.

“Term” shall mean the term of this Agreement as set forth in Article IV hereof.

## ARTICLE II

## SCOPE OF SERVICES

Section 2.1 The services described and set forth in this Article II shall hereinafter be collectively referred to as the “Services”.

Section 2.2 In order to assist BNYC in furthering the purposes of the Act, other applicable law, and the Corporate Documents and Policies; and so long as this Agreement is effective, EDC covenants and agrees to provide, in coordination with the Executive Director as provided in Article IX hereof and in accordance with the terms and conditions of this Agreement, such personnel, office space, access to equipment, furniture, conference rooms, other materials and services deemed necessary by the Board for the efficient (i) distribution, receipt, evaluation and processing of all applications for all bond and other transactions, (ii) monitoring, review, evaluation and servicing of all BNYC projects and all financings entered into by BNYC with respect thereto and (iii) coordination with local, state and federal agencies, including but not limited to the timely disclosure of all financial incentives and benefits provided by such agencies and EDC, with respect to the projects financed and to be financed by BNYC.

Section 2.3 EDC covenants and agrees to provide to BNYC, in accordance with the Act, the Corporate Documents and Policies, and all other applicable laws, rules, regulations and agreements, such services as may be authorized by the Board and provided for in the BNYC Annual Budget, including but not limited to the following:

- (a) Such advertising, marketing and other outreach services as are necessary and desirable to make Applicants and potential Applicants aware of the availability of BNYC services;
- (b) Such technical assistance services to Applicants and potential Applicants as are necessary and desirable in connection with the administration of BNYC programs;
- (c) Such information and assistance as may be deemed necessary by the Executive

Director, on behalf of the Board, to monitor, report upon, timely enforce and evaluate the performance by EDC of its obligations under this Agreement;

(d) Such assistance in the selection of bond counsel and bond trustees as may be necessary or desirable in connection with the conduct of BNYC's business activities.

(e) Upon approval of the Board, to engage a financial advisor (the "Financial Advisor") to provide the following services to BNYC:

(i) Assist in the development of new BNYC financing programs and alternative financing mechanisms available to BNYC;

(ii) Assist in the development and structuring of BNYC bond issues, including but not limited to, issues of tax-exempt or taxable bonds, notes, commercial paper or variable rate instruments, and financing either single borrowers or multiple borrowers through pooled or composite issues;

(iii) Perform financial analysis of select entities and projects seeking financing through BNYC and assist in the design of appropriate financing structures for those entities and projects;

(iv) Analyze the market for potential purchasers of BNYC bonds with a view toward optimal targeting of new issues;

(v) Assist in negotiations with managing underwriters, placement agents and credit enhancement providers;

(vi) Prepare for and participate in meetings with Federal, State and City officials, underwriters, placement agents, credit enhancement providers, investors, counsel, rating agencies and entities obtaining financing through BNYC;

(vii) Assist in the preparation of official statements, private placement memoranda, flow of funds memoranda and other documents in connection with BNYC financings; and

(viii) Work with rating agencies to obtain timely and proper ratings for BNYC issues.

(e) Such other services or assistance as the Board may request, provided however, that the expenses incurred in connection with such services or assistance must have been provided for in the BNYC Annual Budget.

Section 2.4 So long as this Agreement is effective, BNYC hereby authorizes EDC and EDC covenants and agrees to take all necessary action to promptly collect on behalf of BNYC such amounts as may from time to time be owed to BNYC, including but not limited to recapture amounts, penalties and interest, and damage awards and settlement amounts.

Section 2.5 EDC covenants and agrees to administer the programs of BNYC in a manner consistent with the policies of the Board and to develop recommendations in connection therewith for approval by the Board, consistent with the following guidelines:

(i) consolidate services, including, where appropriate, combined application, review, analysis, monitoring and reporting procedures;

(ii) expedite the bond-financing process, including, where appropriate, assigning one professional staff member to each Applicant, which member shall be responsible for guiding the Applicant through the process in a timely and efficient manner;

(iii) standardize financial analysis, including, where appropriate, performing uniform analysis in connection with each Applicant which shall be utilized in the review of that Applicant's application for bond financing;

(iv) standardize fees;

(v) standardize employment projections and analysis, including, where appropriate, establishing a uniform procedure with regard to the definition, calculation and



monitoring of employment opportunities in connection with bond-financed facilities;

(vi) centralize outreach, publicity and marketing, including, where appropriate, implementing seminars and conferences to alert the public and private sectors to the availability of bond financing by BNYC;

(vii) standardize reporting and monitoring, including, where appropriate, creating a single reporting procedure to monitor Applicant compliance and performance;

(viii) standardize term sheets for each bond financing; including the name of the Applicant, the bond amount, interest rate, term, use of proceeds, collateral security and employment information;

(ix) standardize requirements with regard to financial statements from recipients of bond financings;

(x) standardize documentation for and analysis of proposed bond financings;

(xi) standardize documentation and analysis in connection with market justifications to support Applicants' sales growth projections;

(xii) standardize documentation and analysis in connection with each Applicant's capability to manage a proposed project;

(xiii) develop program proposals with regard to the use of BNYC funds which are not dedicated to costs incurred pursuant to the BNYC Annual Budget; and

(xiv) perform such other services and render such other assistance as the Board or the Executive Director shall request.

In addition, the administrative services to be provided to BNYC by EDC with respect to certain larger projects shall be included in the "Services."

Section 2.6. EDC shall, in the performance of the Services, follow procedures substantively similar to the rules issued by the City to enhance the ability of minority and women

owned business enterprises (“MWBE(s)”) to compete for City contracts. Specifically, for the purpose of procuring consulting and professional services, EDC shall assist BNYC in seeking to obtain responses from MWBEs. In addition, EDC shall assist BNYC in marketing efforts to obtain project applications from MWBE applicants.

Section 2.7. Services relatd to BNYC closings shall be limited to twenty-three (23) BNYC closings. EDC shall be compensated for additional BNYC closings pursuant to Section 5.1(c) of this Agreement.

### ARTICLE III

#### ADMINISTRATION AND ACCOUNTING OF FUNDS; INSPECTION RIGHTS

Section 3.1 EDC covenants and agrees that all funds received by EDC pursuant to Section 2.4 shall be promptly deposited into BNYC Bank Accounts or remitted to appropriate governmental jurisdictions in accordance with requirements of applicable law.

Section 3.2 EDC shall provide to the Board and BNYC’s Treasurer investment recommendations and such other advisory services with respect to any monies held in BNYC Bank Accounts as the Board may reasonably request.

Section 3.3 EDC will keep proper books of records and accounts in which proper entries will be made of its transactions with respect to all monies received and investments made pursuant to the terms of this Agreement, all in accordance with generally accepted accounting principles.

Section 3.4 EDC will permit BNYC or its agents to examine the books of account and records of EDC and to make copies and extracts therefrom, and to discuss the affairs, finances and accounts of EDC with its officers and with its independent public accountants, all at such reasonable times and as often as BNYC may reasonably request.

#### ARTICLE IV

##### TERM

Section 4.1 The Term of this Agreement shall be for a period from the date of this Agreement to June 30, ~~2018~~2019 or until the earlier termination of this Agreement pursuant to Article

XI hereof.

Section 4.2 This Agreement shall be renewable pursuant to Article X hereof for successive additional 12 month periods.

#### ARTICLE V PAYMENT TO EDC

Section 5.1 (a) Payment for the Services. BNYC shall remunerate EDC in the amounts required under this Section 5.1.

(b) Base Contract Fee. In consideration of the Services provided to BNYC by EDC during the Term, BNYC shall pay to EDC a base contract fee in the amount of ~~three~~two million ~~three~~one hundred seventy eight thousand dollars (~~\$3,300,000~~2,178,000) (the “Base Contract Fee”). BNYC shall so remunerate EDC by paying to EDC, on the first day of each calendar month during the Term, an amount equal to one twelfth (1/12) of the Base Contract Fee.

(c) Additional Contract Fee. In addition to the Base Contract Fee, BNYC shall pay to EDC an additional contract fee or fees (collectively, the “Additional Contract Fee”) of \$105,000

for each BNYC closing beyond the twenty-third (23<sup>rd</sup>) BNYC closing during the Term of this Agreement. BNYC shall pay EDC an amount equal to the Additional Contract Fee within thirty (30) days of the related closing.

(d) Contribution toward Tenant Improvements. In consideration of any cost incurred by EDC in the improvement of its tenanted offices at 110 William Street, New York, New York, BNYC shall make a contribution toward such cost in a reasonably-allocated amount based upon the number of EDC personnel providing the Services and the time expended by such personnel. At the direction of the Chief Financial Officer of BNYC, such contribution (if any) shall be deemed a part of the Base Contract Fee or it shall be payable as a separate fee in addition to the amount of the Base Contract Fee.

## ARTICLE VI

### REPRESENTATIONS AND WARRANTIES OF EDC

EDC represents and warrants that:

Section 6.1 EDC is a not-for-profit corporation duly organized and validly existing and in good standing under the laws of the State of New York, and has all requisite power and authority to execute, deliver and perform this Agreement.

Section 6.2 This Agreement has been duly authorized by all necessary corporate action on the part of EDC and has been duly executed and delivered by EDC and, assuming due execution and delivery by BNYC, constitutes a legal, valid and binding obligation of EDC, enforceable in accordance with its terms.

Section 6.3 There are no actions, suits or proceedings (whether or not purportedly on behalf of EDC) pending or, to the knowledge of EDC, threatened against or affecting EDC at law or in equity or before any federal, state, municipal or other governmental department,

commission, board, bureau, agency or instrumentality which involves the possibility of any material adverse change in the business, operations, property or assets, or in the condition, financial or otherwise of EDC.

Section 6.4 Neither the execution and delivery of this Agreement, consummation of the transactions herein contemplated, nor compliance with the terms, conditions or provisions hereof, will conflict with or result in a breach of any of the terms, conditions or provisions of the Certificate of Incorporation or by-laws of EDC or any statute, indenture, mortgage, deed of trust or other agreement or instrument to which EDC is bound, or to the knowledge of EDC, any order, rule, or regulation of any court or governmental agency or body having jurisdiction over EDC or any of its activities or properties.

ARTICLE VII  
REPRESENTATIONS AND WARRANTIES OF BNYC

BNYC represents and warrants that:

Section 7.1 BNYC is a not-for-profit, local development corporation duly organized, validly existing and in good standing under the laws of the State of New York and has all requisite power and authority to execute and deliver this Agreement.

Section 7.2 This Agreement has been duly authorized by all necessary corporate action on the part of BNYC and has been duly executed and delivered by BNYC, and assuming due execution and delivery by EDC, constitutes the legal, valid and binding obligation of BNYC, enforceable in accordance with its terms.

Section 7.3 Neither the execution and delivery of this Agreement, consummation of the

transactions herein contemplated, nor compliance with the terms, conditions or provisions hereof, will conflict with or result in a breach of any of the terms, conditions or provisions of the by-laws of BNYC or any statute, indenture, mortgage, deed of trust or other agreement or instrument to which BNYC is bound, or to the knowledge of BNYC, any order, rule, or regulation of any court or governmental agency or body having jurisdiction over BNYC or any of its activities or properties.

ARTICLE VIII  
ADDITIONAL COVENANTS OF EDC

So long as this Agreement is effective, EDC further covenants and agrees as follows:

Section 8.1 EDC will maintain its corporate existence under the laws of the State of New York as a not-for-profit corporation. EDC is an entity established at the direction of the City.

Section 8.2 EDC will keep and maintain adequate books and records relating to its operations, including but not limited to records with respect to:

- (a) any funds received in connection with BNYC and its programs;
- (b) the disbursement of such funds; and
- (c) financial documents relating to BNYC and its programs, e.g. bank statements, fund balances, cancelled checks, bills, invoices, receipts, and deposit slips.

Section 8.3 EDC will provide monthly and year-to-date financial reports regarding BNYC and its program to the Board and the Executive Director, which reports, shall include the following:

- (a) Total deposits at the beginning and end of the month;
- (b) Amount, source, application and date of all monies received and/or disbursed by

or on behalf of BNYC during the month;

- (c) Amount and application of any interest received during the month on BNYC funds;
- (d) A monthly operations report; and
- (e) Such other information as the Board or Executive Director shall reasonably request or as may be required by the Act or other applicable law or by the Corporate Documents and Policies.

Section 8.4 EDC will deliver to BNYC, as soon as practicable and in any event not later than 90 days prior to the end of the Term and each successive term thereafter, an operations report setting forth at least the following information:

- (i) discussion of the operations of EDC pursuant to this Agreement during the period covered by such report, including but not limited to BNYC funds received and disbursed, project financings closed, revenues and scope of other activities hereunder;
- (ii) an officer's certificate stating whether or not any default has occurred and is continuing hereunder and if so, specifying each such default, the nature of such default, and what action or actions it plans to take with respect thereto; and
- (iii) such other information as the Board shall reasonably request.

Section 8.5 As soon as practicable and in any event not later than 120 days after the end of EDC's fiscal year, EDC will deliver to BNYC the audited financial statements of EDC including a balance sheet and statement of profits and losses prepared in accordance with generally accepted accounting principles consistently applied.

Section 8.6 Promptly upon receipt thereof, EDC will deliver to BNYC copies of any report on accounting procedures or internal controls submitted to EDC by independent certified

public accountants in connection with any annual examination of the financial statements of EDC.

Section 8.7 EDC will deliver to BNYC such other information as to the business or operations of EDC filed with any governmental department, bureau, commission or agency, as the Board may, from time to time, reasonably request or as may be required by the Act or other applicable law.

Section 8.8 EDC will, in a timely manner, obtain all approvals necessary and make all filings required under city, state and federal laws with respect to the performance of this Agreement and the administration of BNYC program.

Section 8.9 EDC will perform all acts to be performed in connection with this Agreement in strict conformity with applicable city, state and federal laws, rules, regulations and orders.

#### ARTICLE IX EXECUTIVE DIRECTOR

Section 9.1 EDC and BNYC covenant and agree that the Executive Director shall coordinate all aspects of this Agreement with the Board and shall dutifully undertake and be responsible for insuring the proper performance by EDC of the terms and provisions of this Agreement, in accordance with the Act, other applicable law, and the Corporate Documents and Policies.

Section 9.2 EDC shall provide to the Board and the Executive Director, in accordance with the terms of this Agreement, such personnel, reports, forms and other information and assistance necessary and desirable to fulfill and properly perform the obligations contained in this



Agreement.

ARTICLE X  
RENEWAL OF AGREEMENT

Section 10.1 EDC shall annually submit to the Board this Agreement for renewal and for any proposed amendments thereto. The Board shall, if it is so advised, offer proposed amendments to the Agreement to EDC.

ARTICLE XI  
EVENTS OF DEFAULT; TERMINATION

Section 11.1 If one or more of the following events (“Events of Default”) shall occur:

(a) EDC shall fail to perform or shall violate any provision of this Agreement and such default or violation shall continue for a period of thirty (30) days after the Chairperson or Vice Chairperson of the Board has given written notice thereof to EDC, or, in the case of a default or violation which cannot with due diligence be cured within such period of thirty (30) days, EDC shall not have commenced curing the same within such thirty (30) day period and thereafter shall not have prosecuted the curing of such default or violation with all due diligence to completion (it being understood in connection with a default or violation not susceptible to being cured with due diligence within thirty (30) days that the time to cure the same shall be extended for such period as the Board may deem reasonably necessary to complete the curing thereof with all due diligence);  
or

(b) The Master Contract shall be terminated or an Event of Default (as defined in the Master Contract) shall occur and as a result of such Event of Default or for any other reason, the City or EDC shall elect to terminate the Master Contract; or

(c) EDC shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt

or insolvent or shall file any petition or answer seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of EDC or of all or any substantial part of its properties or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or

(d) Within ninety (90) days after the commencement of any proceedings against EDC seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Act or any other statute or law, such proceedings shall not have been dismissed, or if, within ninety (90) days after the appointment, without the consent or acquiescence of EDC, of any trustee, receiver or liquidator of EDC or all or any substantial part of its properties, such appointment shall not have been vacated or stayed on appeal or otherwise, or within ninety (90) days after the expiration of any such stay

such appointment shall not have been vacated; then, in any such Event of Default, BNYC, at any time thereafter (but prior to the curing of all such Events of Default), may give written notice to EDC specifying such Event of Default or Events of Default and stating that this Agreement shall expire and terminate on the date specified in such notice, which shall be at least ten (10) days after

the giving of such notice, and on the date specified in such notice, this Agreement shall expire and terminate and EDC shall remain liable for all its obligations incurred pursuant to this Agreement prior to the date of such termination. EDC shall assume no further binding obligations in connection with any services to be rendered pursuant to this Agreement after the date of receipt of such notice from BNYC, provided that BNYC may direct such wind up work as it deems necessary.

Section 11.2 This Agreement shall terminate ninety (90) days after BNYC shall have given to EDC, or EDC shall have given to BNYC, written notice of the respective party's intention to terminate this Agreement. EDC shall assume no further binding obligations pursuant to any agreement after the date of receipt of such notice from BNYC, provided that BNYC may direct such wind-up work as it determines is necessary.

Section 11.3 On the date fixed for termination as provided in Sections 11.1 or 11.2 hereof, EDC shall transfer, assign and set over to BNYC immediately (a) any and all documentation maintained by EDC in connection with services rendered hereunder and (b) all agreements, records, correspondence and other documents of any kind relating to outstanding BNYC monies, projects and other matters.

## ARTICLE XII GENERAL PROVISIONS

Section 12.1 This Agreement may be assigned by EDC to its successor in function with the consent of the Board.

Section 12.2 No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligation, claim or cause of action arising hereunder shall be valid or binding for any purpose unless in writing and duly executed by the parties hereto.

Section 12.3 The table of contents and captions of this Agreement are for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

Section 12.4 This Agreement contains all the terms and conditions agreed upon by the parties hereto, and no agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to be binding upon any of the parties hereto.

Section 12.5 Each written notice, demand, request or other communication in connection with this Agreement shall be either served in person, with delivery or service acknowledged in writing by the party receiving the same, or deposited in the United States mails, postage prepaid, and addressed:

- (a) To EDC: 110 William Street, New York, N.Y. 10038  
Attention: President
- (b) To BNYC: 110 William Street, New York, N.Y. 10038  
Attention: Executive Director

, or addressed to either party at any other address that such party may hereinafter designate by written notice to the other party.

Section 12.6 This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Section 12.7 The parties agree that each and every provision of federal, state or local law, rule, regulation or order, required to be inserted in this Agreement, is deemed by this reference to be so inserted in its correct form, and upon the application of either party, this Agreement shall be amended by the express insertion of any such provisions not so inserted and by the deletion of any such provision which is inserted incorrectly.

Section 12.8 No director, officer, member, employee, agent or other person authorized to act on behalf of EDC or BNYC shall have any personal liability in connection with this Agreement or any failure of EDC or BNYC to perform its obligations hereunder. Each of the

parties hereto agrees that no action in connection with this Agreement shall lie or be maintained unless such action is commenced within six (6) months after the termination of this Agreement, or the accrual of the cause of action, whichever is earliest.

Section 12.9 EDC agrees to indemnify, defend and hold BNYC, its members, directors, officers, employees and agents, harmless from any and all claims, demands, suits, expenses, judgments or liabilities of every kind and nature to which they may be subject because of any act or omission of EDC, its agents, or employees, in connection with this Agreement or because of any negligence of the EDC, its agents, or employees. EDC shall be solely responsible for the safety and protection of all its employees and shall assume all liability for injuries, including death, that may occur to said employees due to the negligence, fault or default of EDC.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NEW YORK CITY ECONOMIC  
DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

BUILD NYC RESOURCE  
CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT A**

*Build NYC Resource Corporation  
Budget for Fiscal Year ~~2018~~2019  
follows this page*

**BUILD NYC RESOURCE CORPORATION  
FISCAL YEAR 2019 BUDGET**

	<b>FY 2017 Actual</b>	<b>FY 2018 Budget</b>	<b>FY 2018 Projected Year-End Actual</b>	<b>FY 2019 Budget</b>	<b>FY 2020 Budget</b>	<b>FY 2021 Budget</b>	<b>FY 2022 Budget</b>
<b>REVENUES</b>							
Financing Fees*	2,415,813	3,060,000	1,830,962	3,276,615	3,440,446	3,768,108	3,931,938
Application Fees	165,000	133,000	45,000	150,000	155,000	175,000	180,000
Compliance & Post Closing Fees	157,700	150,161	165,585	173,864	182,557	191,685	201,270
Investment Income	58,875	43,262	83,766	87,910	93,883	103,557	124,385
Other Income	827,137	10,000	10,000	10,000	10,000	10,000	10,000
<b>TOTAL REVENUES</b>	<b>3,624,525</b>	<b>3,396,423</b>	<b>2,135,313</b>	<b>3,698,389</b>	<b>3,881,886</b>	<b>4,248,350</b>	<b>4,447,593</b>
<b>EXPENSES</b>							
Contract Fee	3,300,000	3,300,000	3,300,000	2,178,000	2,178,000	2,178,000	2,283,000
Legal/Audit Fees	31,656	38,962	32,606	63,872	63,872	63,872	63,872
Outreach / Marketing	2,162	100,000	2,047	10,000	10,000	10,000	10,000
Public Notice Fees	50,016	52,677	22,024	36,734	41,632	46,530	51,428
Miscellaneous Expenses	1,966	5,000	5,000	5,000	5,000	5,000	5,000
<b>TOTAL EXPENSES</b>	<b>3,385,800</b>	<b>3,496,639</b>	<b>3,361,676</b>	<b>2,293,606</b>	<b>2,298,504</b>	<b>2,303,402</b>	<b>2,413,300</b>
<b>OPERATING EXCESS/(DEFICIT) FROM IDA OPERATIONS</b>	<b>238,726</b>	<b>(100,216)</b>	<b>(1,226,364)</b>	<b>1,404,783</b>	<b>1,583,382</b>	<b>1,944,948</b>	<b>2,034,293</b>
<b>Contract Purchases</b>							
Contract Purchases/Special Projects**	222,093	130,000	77,907	1,000,000	1,000,000	1,000,000	-
<b>NET OPERATING EXCESS/(DEFICIT)</b>	<b>16,633</b>	<b>(230,216)</b>	<b>(1,304,271)</b>	<b>404,783</b>	<b>583,382</b>	<b>944,948</b>	<b>2,034,293</b>

**BUILD NYC RESOURCE CORPORATION  
NET ASSETS**

Unrestricted Net Assets (Beginning)	11,345,663	11,396,934	11,362,296	10,058,025	10,462,808	11,046,190	11,991,139
Operating Excess/(Deficit)	16,633	(230,216)	(1,304,271)	404,783	583,382	944,948	2,034,293
<b>UNRESTRICTED NET ASSETS (ENDING)</b>	<b>11,362,296</b>	<b>11,166,717</b>	<b>10,058,025</b>	<b>10,462,808</b>	<b>11,046,190</b>	<b>11,991,139</b>	<b>14,025,431</b>

\* FY18 projected year-end financing fees are based on 18 transactions. FY19 financing fees are based on 20 transactions.

\*\* Pursuant to various Board approved agreements between the Corporation and NYCEDC, the Corporation is committed to fund various projects being performed by NYCEDC related to the City's economic and industrial development projects and initiatives.



**BUILD NYC RESOURCE CORPORATION**  
**BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS**  
(Office of the State Comptroller's Submission Format)

	Last Year (Actual) 2017	Current Year (Estimated) 2018	Next Year (Adopted)* 2019	Proposed 2020	Proposed 2021	Proposed 2022
<b><u>REVENUE &amp; FINANCIAL SOURCES</u></b>						
<b>Operating Revenues</b>						
Charges for services	2,738,513	2,041,547	3,600,480	3,778,004	4,134,793	4,313,208
Other operating revenues	827,137	10,000	10,000	10,000	10,000	10,000
<b>Nonoperating Revenues</b>						
Investment earnings	58,875	83,766	87,910	93,883	103,557	124,385
<b>Total Revenues &amp; Financing Sources</b>	<b>3,624,525</b>	<b>2,135,313</b>	<b>3,698,389</b>	<b>3,881,886</b>	<b>4,248,350</b>	<b>4,447,593</b>
<b><u>EXPENDITURES</u></b>						
<b>Operating Expenditures</b>						
Professional services contracts	3,607,892	3,439,583	3,293,606	3,298,504	3,303,402	2,413,300
<b>Total Expenditures</b>	<b>3,607,892</b>	<b>3,439,583</b>	<b>3,293,606</b>	<b>3,298,504</b>	<b>3,303,402</b>	<b>2,413,300</b>
<b>Excess (deficiency) of revenues and capital contributions over expenditures</b>	<b>16,633</b>	<b>(1,304,271)</b>	<b>404,783</b>	<b>583,382</b>	<b>944,948</b>	<b>2,034,293</b>

\* The FY2019 budget will be presented to the Board of Directors on April 10, 2018.



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Input:	
Document 1 ID	file://G:\icohn\BNYC & IDA Governance\Annual Contracts\BNYC EDC Annual Contract - FY18.pdf
Description	BNYC EDC Annual Contract - FY18
Document 2 ID	file://G:\icohn\BNYC & IDA Governance\Annual Contracts\BNYC EDC Annual Contract - FY19.pdf
Description	BNYC EDC Annual Contract - FY19
Rendering set	Standard

Legend:	
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Moved cell	
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Statistics:	
	Count
Insertions	13
Deletions	12
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	25

**Exhibit C**

# BUILD NYC RESOURCE CORPORATION

## COMPREHENSIVE INVESTMENT GUIDELINES POLICY

Adopted December 13, 2011, as amended through June ~~13, 2017~~12, 2018

### I. PURPOSE

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

### II. GENERAL PROVISIONS

#### A. Scope of Policy

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

#### B. Investment Objectives

The Funds shall be managed to accomplish the following objectives:

1. *Preservation of Principal* – The single most important objective of Build NYC’s investment program is the preservation of the principal of the Funds.
2. *Maintenance of Liquidity* – The Funds shall be managed in such a manner that assures that funds are available as needed to meet immediate and/or future operating requirements of Build NYC.
3. *Maximize Return* – The Funds shall be managed in such a fashion as to maximize income through the purchase of Permitted Investments (hereinafter defined), taking into account the other investment objectives.

### III. IMPLEMENTATION OF GUIDELINES

The Chief Financial Officer of Build NYC or, if under the direction of the Chief Financial Officer of Build NYC, the Treasurer of Build NYC or an Assistant Treasurer of Build NYC

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

#### IV. AUTHORIZED INVESTMENTS

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

1. *U.S.A.* Obligations or securities issued by the United States.
2. *Federal Agency Obligations.* Obligations or securities issued by any agency or instrumentality of the United States if guaranteed, as to principal and interest, by the United States.
3. *Commercial Paper.* Debt obligations with a maturity of no greater than 270 days and with ratings that are the highest ratings issued by at least two rating agencies approved by the Comptroller of the State of New York.
4. *Bankers’ Acceptances* of banks with worldwide assets in excess of \$50 million that are rated with the highest categories of the leading bank rating services and regional banks also rated within the highest categories.
5. *Certificates of Deposit and Time Deposits* with New York banks, including minority-owned banks. All such certificates of deposit in these banks must be Federal Deposit Insurance Corporation (“FDIC”) insured; *provided, however,* if and to the extent such certificates of deposits or time deposits are not FDIC insured, such Securities shall comply with all other applicable requirements of the General Municipal Law of the State of New York, including, but not limited to, requirements as to the collateralization of deposits of funds in excess of the amounts insured by the FDIC.
6. *Other investments* approved by the Comptroller of New York City for the investment of City funds.

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

The Treasurer shall maintain, or cause to be maintained, proper books and records of all Securities held by or for Build NYC and for all transactions pertinent thereto. Such books and records shall at least identify the Security, the fund for which held, and the place where kept; and

the entries made therein shall show the competitive quotes obtained therefor, the date of sale or other disposition, and the amount realized therefrom.

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

1. High quality no-load money market mutual funds that restrict their investments to short term, highly rated money market instruments.
2. Other interest bearing accounts, if permitted by applicable laws, rules and regulations, with New York City financial institutions designated by the New York City Banking Commission or such other financial institutions approved by the Deputy Mayor for Economic Development or his successor in function.

## V. WRITTEN CONTRACTS

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

## VI. DIVERSIFICATION

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

REFERENCE	SECURITY	MAXIMUM
IV.A.1	U.S.A.	100% maximum
IV.A.2	Federal Agency	100% maximum

IV.A.3	Commercial Paper	40% maximum
IV.A.4	Bankers Acceptances	25% maximum
IV.A.5	Certificates of Deposit; Time Deposits	45% maximum
IV.A.6	Other Investments Approved by NYC Comptroller for City Funds	A percentage deemed prudent by CFO

## **VII. MAXIMUM MATURITY**

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

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

## **VIII. MONITORING AND ADJUSTING THE INVESTMENT PORTFOLIO**

Those responsible for the day-to-day management of the portfolio will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio as necessary to meet the requirements and goals of this Policy. It is recognized and understood that the non-speculative active management of portfolio holdings may cause a loss on the sale of an owned investment.

## **IX. INTERNAL CONTROLS**

The Chief Financial Officer or, if under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall establish and be responsible for monitoring a system of internal controls governing the administration and management of the portfolio. Such controls shall be designed to prevent and control losses of the portfolio funds arising from fraud,



employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel.

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

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

### **A. BROKERS, AGENTS, DEALERS**

The categories of firms listed below are the categories from which Build NYC may select firms to purchase and sell Securities (as selected an “Agent”). Factors to be considered by Build NYC in selecting Agents from these categories shall include the following: size and capitalization; quality and reliability; prior experience generally and prior experience with Build NYC specifically; and level of expertise for the transactions contemplated.

1. any bank or trust company organized and/or licensed under the laws of the USA which is authorized to do business in NYS;
2. any bank or trust company organized and/or licensed under the laws of any state of the USA which is authorized to do business in NYS;
3. any broker-dealer licensed and/or permitted to provide services under federal law and, when necessary, qualified to do business in NYS.

### **B. INVESTMENT ADVISORS**

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

### **C. INVESTMENT BANKERS**

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

### **D. CUSTODIANS**

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

## **XI. REPORTING**

### **A. Quarterly**

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

### **B. Annually**

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

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

- a. This Policy and amendments thereto since the last report;
- b. An explanation of this Policy and any amendments made since the last report;
- c. The independent audit report required by paragraph 1 above;
- d. The investment income record of Build NYC for the fiscal year; and
- e. A list of fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to Build NYC since the last report.

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

## **XII. APPLICABILITY**

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

### **XIII. CONFLICT OF LAW**

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

### **XIV. PRIOR AUTHORIZATIONS NOT SUPERSEDED**

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

### **XV. MWBEs**

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

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**Exhibit D**

**BUILD NYC RESOURCE CORPORATION  
POLICY FOR THE DISPOSITION OF PERSONAL PROPERTY**

Adopted December 13, 2011; as amended through June ~~13, 2017~~[12, 2018](#)

Personal Property Valued at \$5,000 or Less

Whenever Build NYC Resource Corporation (the “Corporation”) wishes to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value of \$5,000 or less, it shall obtain offers from one or more persons or entities as the Corporation’s contracting officer for personal property dispositions (the “Contracting Officer”), appointed by the Corporation’s Board of Directors, or his or her designee deems appropriate. The Corporation shall maintain a record of the persons or entities approached and their responses. The Corporation may conduct discussions with some or all of the persons and entities. The property may be disposed of to whichever person or entity the Contracting Officer or his or her designee selects based on the proposed price and any other factors that the Contracting Officer or his or her designee deems appropriate.

All personal property that the Contracting Officer or his or her designee considers to be of no sale value and no use to the Corporation may be destroyed or otherwise disposed of in such manner as is determined by the Contracting Officer or his or her designee. Notwithstanding the foregoing, records may only be destroyed or disposed of at a time and in a manner not in conflict with applicable law, regulation or contract.

No approval of a disposition of a type described above is required from the Board of Directors or any committee thereof. All disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of the Corporation.

Personal Property Valued in Excess of \$5,000

Whenever the Corporation wishes to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value in excess of \$5,000 it shall first obtain an appraisal of the property if, because of the unique nature of the property or the unique circumstances of the proposed transaction, it is not readily valued by reference to an active market for similar property. However, an appraisal of the property will not be required if an appraisal of the property or similar property has been made within the past two years.

The person or entity to which the property shall be disposed of shall be determined through a procurement conducted in accordance with Title 5-A of Article 9 of the Public Authorities Law. The Corporation shall publicly advertise for proposals for the disposal of the property in accordance with Title 5-A, provided that it may dispose of the property without public advertising, obtaining such competition as is feasible under the circumstances, when permitted to do so under Title 5-A. In connection with the disposition, in addition to complying with the requirements of Title 5-A, the Corporation shall also comply with the lobbying-and-procurement

requirements of Sections 139-j and 139-k of the State Finance Law, and with all other laws, if any, that are applicable to the disposition of personal property.

Prior to the disposal of the property, the project manager involved in the disposition shall be the primary person responsible for the monitoring of compliance with the terms of the contract for the disposal, and shall keep the Contracting Officer or his or her designee informed of all major issues that arise and of the status of the disposition.

The disposal must be approved by the Board of Directors if the disposal (i) is on a sole source basis for an amount in excess of \$20,000, or (ii) is for an amount in excess of \$100,000 and has been competitively procured, or (iii) is for property valued in excess of \$5,000 and will be disposed of for less than fair market value. For disposals for less than those amounts, no approval is required of the Board of Directors. In all cases, the disposal must be approved by the Contracting Officer or his or her designee and disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of the Corporation.

The Contracting Officer shall cause a record to be maintained of all personal property disposed of for an amount in excess of \$5,000 and shall cause to be prepared and transmitted all reports relating to the disposition of personal property required by Title 5-A.



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**Exhibit E**

**BUILD NYC RESOURCE CORPORATION  
POLICY FOR THE ACQUISITION AND DISPOSITION OF REAL PROPERTY**

Adopted December 13, 2011; as amended through June ~~13, 2017~~[12, 2018](#)

**I. Introduction**

In accordance with the requirements of Title 5-A of Article 9 of the Public Authorities Law and Section 2824(1)(e) of the Public Authorities Law, as amended by the Public Authorities Accountability Act of 2005, as amended (“PAAA”), the following comprehensive guidelines (“Guidelines”) set forth for the Build NYC Resource Corporation (“Build NYC”) (i) the operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property through means of real property sale, ground lease, space lease and roof top lease, (ii) the guidelines relating to the acquisition of real property, and (iii) the related policies and procedures.

**II. Methods of disposing of real property**

Build NYC shall dispose of real property in accordance with Title 5-A and other applicable laws in a manner so as to permit such full and free competition as is appropriate under the circumstances and shall award contracts to parties offering the most advantageous terms, financial and/or otherwise. The Contracting Officer for real property dispositions, appointed by Build NYC’s Board of Directors (the “Board”), shall supervise and direct all dispositions of Build NYC real property. The real property may be disposed of for not less than fair market value for cash, credit, or other property, with or without warranty, upon such terms and conditions as the Contracting Officer or his/her designee deems proper, except as otherwise permitted herein. No disposition of real property shall be made unless an appraisal has been made by an independent appraiser whose written report will be included in the Build NYC file. To the extent reasonably feasible, the appraisal shall be dated within twelve months of the date on which Build NYC enters into a contract to dispose of the real property. The independent appraiser must be a New York State Certified General Real Estate Appraiser and may not be an entity owned or controlled by Build NYC, the City, New York City Economic Development Corporation, or the prospective purchaser or lessee, or any of their affiliates. An appraisal meeting the foregoing requirements is a “Conforming Appraisal”. Before approving the disposal of any real property the Board shall be advised of the date of the Conforming Appraisal.

Under the Contracting Officer’s or his/her designee’s direction, Build NYC primarily uses two methods of disposition: Request for Proposals (“RFP”) and negotiated disposition.

## **RFPs**

The RFP process is a process whereby the development community and other entities and individuals are invited to submit proposals for one or more properties. In an effort to create full and free competition consistent with the value and nature of the property, RFPs will be advertised in the City Record and shall be advertised through the internet and in local newspapers, including community-based newspapers, in multi-language publications, and/or in trade publications, where appropriate given the nature of the property. In addition, RFPs shall be posted on Build NYC's web-site (or the portion of another entity's web-site devoted to Build NYC), and, on occasion, distributed to a direct mailing list. All advertisements shall list when and where proposals shall be disclosed, except that if the disposition falls within one of the criteria for a negotiated disposition described below, at the discretion of the Contracting Officer, the advertisement may omit such disclosure information and/or the disclosure may or may not be made. The Contracting Officer shall approve the location of all advertisements and postings and any omission of disclosure information.

RFPs for real property sales and ground leases may, but are not required to, include an introduction and sections on development strategy, objectives, disposition process, public review process, general conditions and, where appropriate, economic development benefits. All RFPs for real property sales and ground leases must include a site description, proposal requirements and selection criteria.

Although the selection criteria as appropriate for each RFP varies, as appropriate, Build NYC will include, where appropriate, at least the following selection criteria in reviewing submissions and selecting a proposal:

- *Economic Impact on / Spending in New York City* - projected expenditures, including purchase price, construction costs and annual operating costs; projected temporary (construction) and permanent on-site employment and payroll; projected applicable New York City taxes such as real property, sales and personal income taxes; and the extent, if any, to which the proposed project will create additional sources of revenue to the City.
- *Development Team Qualifications* – experience and development skills to complete the proposed project on time and within budget, for which experience in completing projects of a similar nature and scope as is contemplated by the RFP shall be taken into account.
- *Financial Viability* – developer's financial means to complete the project, availability of funding sources to finance the project, and sufficient use to support operating expenses, capital costs and any debt service.
- *Integration into Surrounding Community* – environmental issues such as pedestrian access, vehicular access and circulation, building mass, parking availability, landscaping, and overall integration into surrounding community.
- *Design* – architectural design, urban design, environmental development techniques, and compliance with applicable zoning, environmental and other regulatory controls.

- *MWBE Participation* – participation by minority-owned and women-owned businesses.
- *Purpose* – whether the project involves an industry or activity which the City seeks to retain and foster and conforms with Build NYC’s mission

Depending on the nature of the real property, RFPs may include additional selection criteria deemed appropriate by the Contracting Officer or Build NYC’s Executive Director.

With regard to an RFP for a real property sale or ground lease, Build NYC shall notify the City Council Member and Community Board whose districts include the property, that an RFP is being issued.

The contract will be awarded to the candidate presenting the most advantageous terms, price and other factors considered in connection with the criteria enumerated in the RFP. Build NYC may reject the proposals when the minimum terms and conditions have not been met, competition is insufficient and/or it is in the public interest to do so. The award/designation will be made by notice within a reasonable time of the original advertisement, all circumstances considered.

### **Negotiated Disposition**

RFP by advertisement is not always the most appropriate and effective means of disposal of real property. In certain instances, including when the disposition is for less than fair market value but the purpose of the disposition is within Build NYC’s purpose, mission or governing statute or the disposition is otherwise authorized by law, Title 5-A permits a negotiated disposition subject to obtaining such competition as is feasible under the circumstances. In some circumstances, the disposition will involve a sole source disposition. Title 5-A, Sections 2897(6)(c)(ii)-(vi) and 2897(7), set forth that real property may be disposed of through a negotiated disposition when:

- (i) the fair market value of the property does not exceed fifteen thousand dollars;
- (ii) bid prices after advertising therefor are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;
- (iii) the disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;
- (iv) the disposal is for an amount less than the fair market value of the property, and (a) the transferee is a government or other public entity and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity, (b) the purpose of the transfer is within the purpose, mission or governing statute

of Build NYC, or (c) in the event Build NYC seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with Agency's mission, purpose or governing statutes, Build NYC shall provide written notification thereof to the governor, the speaker of the state assembly, and the temporary president of the state senate, and such proposed transfer shall be subject to denial by the governor, the state senate, or the state assembly in the manner specified in Section 2897(7)(iii); provided, however, that with respect to a below-market transfer by Build NYC that is not within the purpose, mission or governing statute of Build NYC, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which Build NYC resides, and the transfer is of property obtained by Build NYC from that political subdivision, then such approval shall be sufficient to permit the transfer; or

(v) such action is otherwise authorized by law.

Item (v) includes, without limitation, sales and leases of real property where the property has been acquired for purposes of disposal under Section 1411 of the New York State Not-for-Profit Corporation Law.

In the event a below fair market value asset transfer (pursuant to an RFP or negotiated disposition) is proposed to Build NYC's Board for approval, the following information must be provided to Build NYC's Board and the public:

1. a full description of the asset;
2. a Conforming Appraisal of fair market value and any other information establishing fair market value as may be sought by the Board;
3. a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages, or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer;
4. a statement of the value to be received compared to the fair market value;
5. the names of any private parties participating in the transfer, and if different than the statement required by subparagraph "4" of this paragraph, a statement of the value to the private party; and
6. the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

Before approving the disposal of any property for less than fair market value, the Board shall consider the information described in the above paragraph, and make a written determination that there is no reasonable alternative to the proposed below-market

transfer that would achieve the same purpose of such transfer. The Contracting Officer shall provide such supplemental information as the Board may require.

If an RFP involves a disposition that meets one of the criteria described above for negotiated dispositions, the Contracting Officer or his/her designee may direct that the disposition of the real property be considered a negotiated disposition. In such circumstance, a public disclosure of the proposals would not be necessary unless otherwise required but an explanatory statement and 90 days notice (or such other period as the statute may be amended to require) would be required as detailed below.

Upon meeting Title 5-A's requirements for a negotiated disposition, the decision to proceed with a negotiated disposition in a situation where an RFP will not be used is based on an analysis of the facts and nature of the project. In such instance, a negotiated disposition may be undertaken without limitation under the following circumstances where appropriate:

- risk of business relocation or expansion outside the City, based upon a written assessment of such risks
- to permit expansion of business in the City
- due to number of jobs to be created or retained
- development of sites which lack private sector interest (as demonstrated by a failed RFP or other competitive means within the past two years)
- proximity of real property to a business' existing location, or
- other important public purpose

Regardless of the reason the negotiated disposition is deemed permissible, such competition as is "feasible" under the circumstances is still required. In some instances where advertisement is not used, Build NYC might notify neighboring businesses of an available parcel to give them the opportunity to submit a proposal, thereby effecting competition. However, in other instances, even such notification might not be feasible. Realistically, in certain situations a sole source disposition or little competition will be the only feasible alternative. For example, if a lease is for a sum below fair market value and failure to renew could threaten relocation outside the City, loss of jobs or business failure, a sole source negotiated disposition will be permissible under Title 5-A Section 2897(6)(c)(v). So too, if a space is leased at fair market value to a tenant that provides many jobs and services as well as promises future economic development to the community, a sole source negotiated disposition might also be appropriate to preserve the jobs in the City. Similarly, if a tenant requires an adjacent available space to expand his/her business and such expansion would create new jobs and prevent the business from leaving the City, a sole source negotiated disposition at fair market value might also be appropriate. In cases where a sole source disposition is presented to Build NYC's board of directors for approval, the board of directors should be informed of the justification for doing a sole source.

If a negotiated disposition is undertaken, in accordance with Section 2897(d) of the PAAA, in most cases not less than 90 days (or such other period as the statute may later



require) prior to the disposal of the property, an explanatory statement must be submitted to the state comptroller, state director of the budget, state commissioner of general services and state legislature, a copy of the same to be maintained in Build NYC's files.

### **III. Acquisitions**

Real property may be purchased by Build NYC for purposes of use, resale, leasing or otherwise permitting the use of the property or space therein, and may be leased by Build NYC for purposes of use, subleasing or assignment of lease or otherwise permitting the use of the leased property or space. The purpose of such acquisition shall be to further a purpose of Build NYC under Section 1411 of the New York State Not-for-Profit Corporation Law. Except for acquisitions arising out of the enforcement of remedies (including rights of reacquisition), the following requirements shall apply to acquisitions by Build NYC. The Contracting Officer or his/her designee shall approve the terms of the acquisition and obtain the approval of the Board for the same. In Build NYC's consideration of the acquisition of real property for the reasons enumerated above, the following information must be provided to the Board:

1. a full description of the real property;
2. a Conforming Appraisal of the fair market value and any other information establishing fair market value as may be sought by the Board;
3. a description of the purpose of the acquisition, and a reasonable statement of the kind and amount of the benefit to the public resulting from such acquisition, such as the kind, number, location, wages, or salaries of jobs created or preserved as required by the acquisition, the benefits, if any, to the communities in which the property is situated as are required by the acquisition;
4. a statement of the acquisition costs as compared to the fair market value, if such acquisition costs are above the fair market value; and
5. the names of any private parties participating in the acquisition; and
6. any known environmental issues.

### **IV. Approvals**

All purchases, sales and leases of real property by Build NYC (except for those arising out of the enforcement of remedies, including exercises of rights of reacquisition) must be approved by its Board. Approvals may be obtained for specific purchases, sales or leases or the Board may grant approval to purchases, sales or leases in accordance with Board-approved guidelines.

### **V. Monitoring and Reporting Contracts for Disposal**

Prior to the disposal of the real property, the project manager involved in the disposition shall be the primary person responsible for the monitoring of compliance with the terms of the contract or other agreement or memorandum for the disposal and shall keep the Contracting Officer or his/her designee informed of all major issues that arise and of the status of the disposition.

The Contracting Officer shall cause a record to be maintained of all real property disposed of and shall cause to be prepared and transmitted all reports relating to the disposition of real property required by Title 5-A.

**VI. Appointment of Contracting Officer**

The Executive Vice President who, from time to time, oversees those employees of New York City Economic Development Corporation that are engaged in real estate activities shall be Build NYC's Contracting Officer for real property dispositions. If there is more than one Executive Vice President who oversees those employees, each of those Executive Vice Presidents shall be considered a Contracting Officer for real property dispositions and may take any action that may be taken by the Contracting Officer.

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**Exhibit F**

**BUILD NYC RESOURCE CORPORATION**

**PROCUREMENT POLICY**

Adopted December 13, 2011, as amended through June ~~13, 2017~~12, 2018

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**Section A. GENERAL**

(1) **Definitions.** The following terms shall have the meanings respectively provided:

*Board of Directors* means the Board of Directors of the Corporation.

*City* means The City of New York.

*Competitive Method of Procurement* means the following Methods of Procurement: Section C, Small Purchases (but not with respect to contracts under \$5,000); Section F, Competitive Sealed Bids; Section G, Competitive Sealed Proposals; and Section H, Contractors Recommended by Construction Manager.

*Construction-Related Supplies* means the providing of tangible personalty, whether or not capital in nature, in connection with Construction Services, including but not limited to fixtures, furnishings and equipment.

*Construction Services* means construction and/or renovation activities.

*Consultant Committee* has the meaning provided in subsection 6 of this Section A.

*Corporation* means Build NYC Resource Corporation.

*Executive Director* means the Executive Director of the Corporation, or, upon his or her direction, the Deputy Executive Director of the Corporation.

*Investigation* means the then-current investigatory background check used by NYCEDC.

*Method(s) of Procurement* means collectively and individually the following procurement procedures: (i) *Use of NYCEDC* under Section B; (ii) *Small Purchases* under Section C; (iii) *Sole Source Procurement* under Section D; (iv) *Emergency Procurements* under Section E; (v) *Competitive Sealed Bidding* under Section F; (vi) *Competitive Sealed Proposals* under Section G; (vii) *Contactors Recommended by Construction Manager* under Section H; and (viii) *Use of other Governmental Contracts* under Section I.

*Minimum Requirements* means that: (i) the Offeror must have completed and submitted to the Procurement Officer the forms required for the Investigation; and (ii) the results of the Investigation must be satisfactory to the Corporation in its sole discretion.

*NYCEDC* means the New York City Economic Development Corporation in its capacity as the contract provider to the Corporation for all administrative services.

*Offeror(s)* has the meaning provided in subsection 4 of this Section A.

*Procurement Officer(s)* has the meaning provided in subsection 4 of this Section A.

*Public Contract* has the meaning provided in subsection 5 of this Section A.

*Response* means a response to a Solicitation.

*Selection Criteria* has the meaning provided in subsection 8 of this Section A.

*Services* means professional and consulting services.

*Solicitation(s)* means any notice, advertisement, bid, request for proposals, or any other request that is published or otherwise disseminated by the Corporation as part of one of the Competitive Methods of Procurement.

*State* means the State of New York.

*Supplies* means the providing of tangible and intangible goods, including (without limitation) software and capital items, including (with respect to machinery and equipment) installation and servicing, but not including construction-related personalty.

*Supplies and/or Services* means, depending on the context, all or any one of or any combination of the following: Services, Supplies, Construction Services, and/or Construction-Related Supplies.

(2) **Applicability of this Policy.** Except as provided for Public Contracts, this Policy shall apply to the procurement of contracts for all Supplies and/or Services to be purchased by the Corporation for its own use and account. This Policy shall not apply to the review and approval by the Corporation of any project or project entity for the purpose of providing to such project or project entity conduit bond financing.

(3) **Methods of Procurement.** Every contract for Supplies and/or Services procured by the Corporation shall be procured in accordance with and pursuant to one of the Methods of Procurement. Any contract for Supplies and/or Services procured by the Corporation shall be procured in accordance with and pursuant to *Competitive Sealed Bidding* unless one of the other Methods of Procurement is appropriate for such procurement.

(4) **Procurement Officer; Permitted Contacts.** For every Competitive Method of Procurement, the Executive Director or, at the Executive Director's designation, the head of the contract administration unit for NYCEDC, shall name one or more individuals to act on behalf of the Corporation for the purpose of receiving questions from, and providing information to, bidders, respondents or other offerors (or if individuals are acting on behalf of entities that are bidders, respondents or other offerors, then, to such individuals) (the "**Offeror(s)**"). The person or persons so named shall be referred to as the "**Procurement Officer(s)**."

(5) **Public Contracts.** When the Corporation funds contract payments with monies provided by the federal government and/or the State and/or the City; and where as a condition to using such monies, federal and/or State and/or City law, rules or regulations prescribe procurement requirements that exceed or conflict with those set forth in this Policy, the requirements of such laws, rules or regulations shall govern. Corporation contracts that are so funded, whether in whole or in part, shall be referred to as "**Public Contracts**."



(6) **Board of Directors; Executive Director; Selection Consultant Committee.**

(a) With the exception of contracts for \$5,000 or less, the Board of Directors shall approve all contracts for Supplies and/or Services except that in the case of Emergency Procurements, such approvals may be retroactive.

(b) The Board of Directors may (but shall not be obligated to) appoint a Selection Consultant Committee (the “**Consultant Committee**”) to evaluate and recommend Offerors and their Responses for any Supplies and/or Services for which a Competitive Method of Procurement is used. If the Board appoints a Consultant Committee, then the Consultant Committee shall be responsible for recommending Offerors and Responses (as selected pursuant to a Competitive Method of Procurement) to the Board of Directors. If the Board of Directors does not appoint a Consultant Committee, the Executive Director shall make such recommendations.

(7) **Minimum Requirements.** To be considered in a Competitive Method of Procurement, an Offeror must satisfy (and to the extent possible demonstrate in its Response that it satisfies) the Minimum Requirements.

(8) **Selection Criteria.** For all contracts for which a Competitive Method of Procurement is used, the Executive Director (or, where applicable, the Consultant Committee) shall in writing specify criteria by which potential Offerors (and their Responses) are to be evaluated (the “**Selection Criteria**”).

(9) **Applicability of Differing NYCEDC Requirements.** If NYCEDC, whether by contract or decision by the Deputy Mayor for Economic Development or by other means, amends its procurement policy and procedures, this Policy shall be similarly and automatically amended without approval by the Board of Directors except to the extent otherwise required by law.

(10) **MWBEs.** The Corporation shall seek to encourage participation by minority and women-owned business enterprises (i.e., “MWBEs”) in providing Supplies and/or Services to the Corporation.

**Section B. USE OF NYCEDC**

(1) The Corporation may procure NYCEDC as the contractor for providing services for the administration and operation of the Corporation, and may do so without competition and without complying with any other Method of Procurement. In adopting this Policy, the Board of Directors hereby finds and determines as follows: (a) Corporation has no employees; (b) staff personnel of NYCEDC have, since the establishment of the Corporation, administered and operated the Corporation pursuant to a contract between the Corporation and NYCEDC; (c) as to staffing, the operational identity between the Corporation and NYCEDC has always been and remains integrated; (d) it is in the best interests of the Corporation to continue this contractual and operational relationship with NYCEDC; and (e) were the relationship to be discontinued, the resulting inefficiencies would be deleterious to the effective operation of the Corporation, and (f)

to competitively seek an entity to administer and operate the Corporation would not be in the Corporation's best interest.

(2) The Corporation may procure contracts for Services through NYCEDC (other than those described in subsection (1) immediately preceding) as contractor whereby NYCEDC obtains the desired services from a third party as subcontractor, and the Corporation may select NYCEDC for this purpose on a non-competitive basis without the Corporation otherwise complying with any other Method of Procurement; *provided, however*, that NYCEDC shall procure the subcontractor in question in accordance with NYCEDC's then-current procurement policy and procedures. In adopting this Policy, the Board of Directors hereby finds and determines as follows: (a) for certain Services, procuring a contractor competitively when the contractor is merely acting in an administrative or pass-through capacity, is not in the best interests of the Corporation; (b) selecting NYCEDC non-competitively for this administrative and pass-through role, given that NYCEDC staff personnel provide all day-to-day administrative services to the Corporation, is by far the most efficient alternative to competitively selecting an entity for this purpose; and (c) by requiring NYCEDC to procure the subcontractor in accordance with NYCEDC's own procurement policy and procedures, the Corporation is fulfilling the intent of this Policy.

#### **Section C. SMALL PURCHASES**

The procurement of a contract for Supplies and/or Services for an amount greater than \$5,000 but not more than \$100,000, shall consist of using reasonable efforts to obtain Responses from at least three Offerors. With regard to procurements of \$5,000 or less, the Corporation shall not be required to engage in any procurement process. If the Corporation only obtains a Response from one Offeror pursuant to this Section C, the procurement will not be considered sole-source under this Policy. In general, procurements shall not be artificially divided so as to constitute a small purchase under this Section C. Procurement under this Section C need not be based exclusively on cost.

#### **Section D. SOLE SOURCE PROCUREMENT**

(1) **For Services.** Subject to review and approval by the Consultant Committee (if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy), the Executive Director may award a contract for Services to a consultant on a sole-source basis if either of the following circumstances applies: (a) the consultant has unique capabilities or has exclusive access to unique technical data, either of which is relevant to the progress and/or completion of a project; or (b) a consultant's recent experience with a specialized project or its geographical location, or the consultant's familiarity with local community groups, would add significantly to the overall quality of either the planning, design or construction of the project.

(2) **For Supplies.** Subject to review and approval of the Consultant Committee (if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy), the Executive Director may award to a vendor a contract for Supplies on a sole-source basis if either of the following circumstances applies: (a) the vendor is the only vendor that makes or supplies or installs or services a unique item (new or replacement); (in other words, this is a circumstance

in which the Corporation would have no visible alternative); or (b) the Corporation has attempted to procure a vendor through one of the Competitive Methods of Procurement but the effort has failed to produce a Response or the Responses that were received were non-responsive; and, as a consequence, the Corporation must procure a vendor on a sole-source basis in order to avoid possible cost overruns or a delay in the project.

#### **Section E. EMERGENCY PROCUREMENTS**

(1) **General.** Upon determination by the Executive Director that one of the emergency circumstances described in subsection (2) following applies, the Executive Director may direct the Corporation to enter into a contract for Supplies and/or Services without the benefit of a Competitive Method of Procurement; provided, however, that the Corporation shall use such competitive procedures as may be practicable without endangering life, safety, health, welfare or property, and without impairing the success of the project to which the emergency pertains. Should the Corporation use competition, the resulting procurement need not be based exclusively on cost.

(2) **Emergencies.** The following are emergencies under which the Executive Director may direct the Corporation to enter into a contract without benefit of a Competitive Method of Procurement: (a) procurement must occur immediately in order to avoid threat to life, safety, health, welfare or property; or (b) the failure to procure immediately is likely to threaten or jeopardize the security or value of a project or the property or goods associated with a project; or (c) immediate procurement is necessary in order to avoid cost overruns or substantial delay in project completion. For purposes of clause “c,” “substantial delay” in construction projects includes, but shall not be limited to, delay in a scheduled delivery date when such date is intrinsic to the progress of the construction.

#### **Section F. COMPETITIVE SEALED BIDDING**

(1) **Applicability.** Except as provided in Sections B through E and Sections F through I, all contracts for Supplies and/or Services of the Corporation shall be competitively bid under sealed bids in accordance with the provisions of this Section F. (For purposes of this Section F, the undefined term “bid(s)” shall be used interchangeably with the term “Response(s)”)

(2) **Invitation for Bids.** The Executive Director shall issue a Solicitation in the form of an “Invitation for Bids.” The Invitation for Bids shall include (whether by attachment or reference) a purchase description, and all contractual terms and conditions applicable to the procurement.

(3) **Public Notice.** Adequate public notice of the Invitation for Bids shall be provided by publication in the City Record a reasonable time prior to the date set forth therein for the opening of bids. In addition, the Corporation may publish such notice in a newspaper of general circulation for a reasonable time prior to bid opening.

(4) **Bid Opening.** Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, the name of each bidder and the bid security, if any, shall be recorded. The record and each bid shall be open to public inspection.

(5) **Bid Acceptance and Bid Evaluation.** Bids shall be unconditionally accepted without alteration or correction on the part of the bidder except as authorized in this Section F. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bids shall set forth the evaluation criteria to be used.

(6) **Correction or Withdrawal of Bids; Cancellation of Awards.** Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted in instances in which the Executive Director finds that it is in the Corporation's interest to do so. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Corporation or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Executive Director.

(7) **Award.** The contract shall be awarded to the bid that (a) is lowest in cost, and (b) is responsive to the Invitation to Bids, and (c) meets the Minimum Criteria. Notwithstanding the foregoing, any or all bids may be rejected when the Corporation reasonably deems it is in the Corporation's interest to do so.

## **Section G. COMPETITIVE SEALED PROPOSALS**

(1) **Applicability.** The Corporation may procure contractors through Competitive Sealed Proposals under this Section G for the following: (a) for Services; and (b) when the Executive Director determines (subject to review and approval of the Consultant Committee if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy) that one or more of the following circumstances applies, then, under such circumstance, for Supplies, for Construction Services, and for Construction-Related Supplies: (x) Competitive Sealed Bidding is inadequate because of the importance of considerations other than cost; (e.g., the capacity of an Offeror to perform as stated in its Response; experience in the required area of knowledge; experience in the community to be served or studied; experience in the community where the contract work is to be performed); or (y) discussions with Offerors that are potential awardees are necessary in order to insure their full understanding and responsiveness to contract requirements; or (z) in the case of Construction Services, the needed expertise and experience is so specialized as to be outside the expertise and experience of most construction contractors.

(2) **Request for Proposals.** The Corporation shall issue a Solicitation in the form of a **“Request for Proposals.”**

(3) **Public Notice.** The Corporation shall provide adequate public notice for the Request for Proposals.

(4) **Receipt of Proposals.** When opening Responses for review, the Corporation shall not, for the duration of the Restricted Period, disclose the contents of the Responses to competing Offerors. A “**Register of Proposals**” shall be prepared and shall be open for public inspection after the Restricted Period. The Register of Proposals shall contain the names of all Offerors and the prices respectively proposed in their Responses.

(5) **Selection Criteria.** For purposes of this Section G, the Selection Criteria shall include but not be limited to the following: cost; whether the Offeror has the capacity to execute the contract in accordance with the Offeror’s Response; whether the Offeror has relevant experience and/or knowledge; and if relevant, whether the Offeror has experience in and knowledge of the community to be served or studied or in which work is to be performed. Procurement under this Section G need not be based exclusively on cost.

(6) **Discussion with Responsible Offerors and Revisions to Proposals.** With respect to those Responses that the Executive Director or the Consultant Committee (as applicable) deem to be (in their sole discretion) candidates for award, the Corporation may hold discussions with the relevant Offerors to clarify and fully understand their Responses. The Corporation shall treat such Offerors fairly and equably, particularly in connection with providing opportunities to amend Responses so that the Corporation may obtain best and final Responses. The Corporation shall not divulge information derived from Responses submitted by competing Offerors except as provided in subsection 4 hereinabove

## **Section H. CONTRACTORS RECOMMENDED BY CONSTRUCTION MANAGER**

(1) **Applicability.** When the Corporation has retained a construction manager for Construction Services, any contract for Construction Services (other than the contract with the construction manager itself) or Construction-Related Supplies may be procured pursuant to the procedure set forth in this Section H in lieu of other Competitive Methods of Procurement. For purposes of this Section H, “Executive Director” shall mean Executive Director or Consultant Committee as applicable.

(2) **Selection of Contractors.** Procurement under this Section H consists of the following: (a) the construction manager recommends to the Executive Director a minimum of five potential contractors; (b) the Executive Director reviews such list of potential contractors and determines which of them the Corporation considers to be appropriate; (c) the selected contractors are invited to submit Responses; (d) the construction manager and the Executive Director review the Responses and in their discretion, negotiate with some or all of the Offerors. Revisions may be permitted to obtain best and final Responses.

(3) **Award.** After consulting with the construction manager, the Executive Director (or the Consultant Committee if one has been appointed pursuant to subsection A(7) of this Policy) shall recommend to the Board of Directors the Response and Offeror deemed to be the

most advantageous to the Corporation. Procurement under this Section H need not be exclusively based upon cost.

(4) **Procurement of Construction Manager.** Nothing in this Policy may be construed to exempt the procurement of a construction manager by the Corporation from the requirements of this Policy.

**Section I. USE OF OTHER GOVERNMENTAL CONTRACTS**

Notwithstanding any other provision of this Policy, if there is a federal, State or City contract for Supplies and/or Services that permits the Corporation to utilize such contract or to obtain Supplies and/or Services from the contractor under substantially similar terms, the Corporation may utilize such existing contract (or enter into a new contract on substantially similar terms) without using any Competitive Method of Procurement. Procurement under this Section I need not be exclusively based upon cost.

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**Exhibit G**



**BUILD NYC RESOURCE CORPORATION**  
**MISSION STATEMENT AND PERFORMANCE MEASUREMENTS**  
**Board of Directors Meeting**  
**June ~~13, 2017~~12, 2018**

WHEREAS, the 2009 Public Authorities Reform Act requires Build NYC Resource Corporation (“BNYC”) to annually review its mission statement and measurements by which the performance of BNYC and the achievement of its goals may be evaluated; and

WHEREAS, for Fiscal Year ~~2018~~2019 BNYC proposes to adopt the mission statement and performance measurements as indicated in Attachment A hereto; and

NOW, THEREFORE, RESOLVED that the Board approves the mission statement and performance measurements for use in Fiscal Year ~~2018~~2019, as set forth in Attachment A.

## ATTACHMENT A

### Authority Mission Statement and Performance Measurements

**Name of Public Authority:**

Build NYC Resource Corporation (BNYC)

**Public Authority's Mission Statement:**

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

**Proposed Adoption Date:** June ~~13, 2017~~ 12, 2018

**List of Performance Measurements:**

- Number of contracts closed (current fiscal year and previous fiscal year)
- Amount of private investment leveraged (current fiscal year and previous fiscal year)
- Total net New York City tax revenues generated in connection with closed contracts (current fiscal year and previous fiscal year)
- Projected three-year job growth in connection with closed projects (current fiscal year and previous fiscal year)
- Current total jobs in connection with projects ~~closed~~ that commenced operations in FY ~~2014 and thereafter~~ 2015<sup>1</sup> as compared to total jobs at the time of application for such projects
- Current total jobs in connection with projects ~~closed~~ that commenced operations in FY ~~2014 and thereafter~~ 2015<sup>2</sup> as compared to the three-year total job ~~projects~~ projections stated in the applications for such projects
- Square footage of buildings/improvements receiving benefits (current fiscal year and previous fiscal year)
- Number of projects that received a field visit (current fiscal year and previous fiscal year)
- Percentage of projects that received a field visit (current fiscal year and previous fiscal year)
- Percentage of projects in good standing<sup>3</sup> (current fiscal year and previous fiscal year)

<sup>1</sup> Also includes projects that closed in FY 2015 but commenced all project operations prior to the closing date.

<sup>2</sup> Also includes projects that closed in FY 2015 but commenced all project operations prior to the closing date.

<sup>3</sup> Defined as those projects that did not receive a Notice of an Event of Default by the end of the Fiscal Year.

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**Exhibit H**

## **Board Self-Evaluation (BNYC)**

- Board members have a shared understanding of the mission and purpose of BNYC.
- The policies, practices and decisions of the Board are always consistent with this mission.
- Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.
- The Board has adopted policies, by-laws and practices for the effective governance, management and operations of BNYC and reviews these annually.
- The Board sets clear and measurable performance goals for BNYC that contribute to accomplishing its mission.
- The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.
- Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.
- Board members are knowledgeable about BNYC 's programs, financial statements, reporting requirements, and other transactions.
- The Board knows the statutory obligations of BNYC and if BNYC is in compliance with state law.
- Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.
- Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.
- Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.
- The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.
- The Board has identified the areas of most risk to BNYC and works with management to implement risk mitigation strategies before problems occur.

**Exhibit I**

## Project Summary

1005 Intervale Avenue LLC (“1005 Intervale”), a New York limited liability company and Bronx Lighthouse Charter School (“the School”), a New York not-for-profit education corporation authorized as a charter school by the Board of Regents of the University of the State of New York for and on behalf of the New York State Education Department and exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), currently operating a public charter school. In June 2011, the School acquired, renovated, improved and equipped an approximately 30,000 square foot building on an approximately 9,300 square foot parcel of land (the “Facility”) located at 1005 Intervale Avenue in the Morrisania neighborhood of the Bronx with the proceeds of a New Markets Tax Credit financing (the “NMTC Financing”). The School is seeking approximately \$12,000,000 in tax-exempt and taxable revenue bonds, the proceeds of which will be used to: (1) refinance the NMTC Financing that was used to finance the acquisition, renovation, improvement and equipping of the Facility; and (2) cover certain ancillary costs related thereto; and (3) fund costs related to the issuance of the bonds. 1005 Intervale will own the Facility, and the School operates the Facility as a public charter school providing educational services for students in grades 9 through 12. The sole member of 1005 Intervale will initially be the School. Bronx Support Corporation, a New York not-for-profit corporation, is expected to become the sole member of 1005 Intervale, after such time, and in the event that it is recognized by the Internal Revenue Service as an organization described in Section 501(c)(3) of the Code.

## Project Location

1005 Intervale Avenue  
 Bronx, New York 10459

## Actions Requested

- Bond Approval and Authorizing Resolution.
- Adopt a SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required.

## Anticipated Closing

July 2018

## Impact Summary

<b>Employment</b>	
Jobs at Application*:	74
Jobs to be Created at Project Location (Year 3)*:	0
<b>Total Jobs (full-time equivalents)*</b>	<b>74</b>
<b>Projected Average Hourly Wage (excluding principals)*</b>	<b>\$44.81</b>
<b>Highest Wage/Lowest Wage*</b>	<b>\$68.94/\$14.42</b>
*Employment and wage information is provided for Bronx Lighthouse Charter School	

<b>Estimated City Tax Revenues</b>	
Impact of Operations (NPV 30 years at 6.25%)	\$5,633,886
<b>Total impact</b>	<b>\$5,633,886</b>



## 1005 Intervale Avenue LLC

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$195,000
NYC Forgone Income Tax on Bond Interest	101,665
Corporation Financing Fee	(85,000)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$211,665</b>

Costs of Benefits Per Job	
Estimated Net City Cost of Benefits per Jobs in Year 3	\$2,860
Estimated City Tax Revenue per Jobs in Year 3	\$ 76,134

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$141,000
NYS Forgone Income Tax on Bond Interest	\$382,485
<b>Total Cost to NYS</b>	<b>\$523,485</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$735,150</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bonds Proceeds	\$12,000,000	100%
<b>Total</b>	<b>\$12,000,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Refinance Costs	\$11,400,000	95%
Costs of Issuance	\$600,000	5%
<b>Total</b>	<b>\$12,000,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$85,000	
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	\$227,250	\$23,457
<b>Total Fees</b>	<b>\$250,707</b>	

## **1005 Intervale Avenue LLC**

### **Financing and Benefits Summary**

Piper Jaffray & Co. will be the sole underwriter of the two series of bonds, approximately \$11,400,000 in Series 2018 A tax-exempt bonds (the “Series 2018 A Bonds”), and approximately \$600,000 in Series 2018 B taxable bonds (the “Series 2018 B Bonds” and together with the Series 2018 A Bonds, the “Bonds”). The Series 2018 A Bonds will have a 30-year maturity and will bear an indicative fixed interest rate of 4.52%. The Series B Bonds will have a 4-year maturity and will bear an indicative fixed interest rate of 5%. The Bonds will be secured by a mortgage on the Facility and the assignment of lease payments of the School. The debt service coverage ratio is anticipated to be 1.54x.

### **Applicant Summary**

The School, which opened in 2004, is a public charter school located within New York City Community School District 12 in the Bronx. The School offers co-educational schooling for 233 students from 9<sup>th</sup> to 12<sup>th</sup> grade. All of the School’s current seniors have been accepted into college. Students gain admission through a lottery process and more than half of these students qualify for the federal free and reduced-lunch program. The School focuses on empowering its students by encouraging creative problem solving, intellectual curiosity, self-reflection, cooperative learning and optimistic resilience. The rigorous curriculum also incorporates visual and performing arts. By refinancing the NMTC Financing the School will save \$200,000 per year on debt service and invest further in programming and teacher support.

#### **Khori Whittaker, President and Chief Executive Officer**

Mr. Whittaker started as a fifth grade teacher through Teach for America. He was an early employee at InsideTrack, Inc. working to improve college access and then later served as Assistant Director for Undergraduate Admission at Stanford University. Prior to joining Lighthouse Academies, Mr. Whittaker launched and led the community engagement team at the Foundation for Florida’s Future. Mr. Whittaker earned a B.A. in Economics from Princeton University and a M.A. in political Science from California State University, Long Beach.

#### **Javier Lopez-Molina, Board of Trustees, Chair**

Mr. Lopez-Molina is a Manager on the Enterprise Solutions Team at IQVIA, a healthcare technology business. Prior to IQVIA, Mr. Lopez-Molina worked as a laboratory scientist at StemCentrx and Merck. Mr. Lopez-Molina has a Masters degree in Biology from the Massachusetts Institute of Technology and an MBA from Columbia Business School.

#### **Robert Granado, Board of Trustees, Treasurer**

Mr. Granado is the Chief Operating Officer of CommonBond, a financial technology company focused on education finance and student loan solutions. Prior to CommonBond, Mr. Granado was founder and CEO of a small business lending platform. Prior to entering the private sector, Mr. Granado was a Captain in the US Air Force. Mr. Granado has a BA in Economics from the University of North Carolina at Chapel Hill and holds an MBA from Columbia Business School.

### **Employee Benefits**

The School provides medical, dental and vision coverage, life insurance, short and long term disability, a tuition reimbursement program and employer contributions to employee retirement plans.

### **Recapture**

Subject to recapture of the mortgage recording tax benefit.

### **SEQRA Determination**

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

## **1005 Intervale Avenue LLC**

### **Due Diligence**

The Corporation conducted a background investigation of the School and 1005 Intervale and their respective principals and found no derogatory information.

<b>Compliance Check:</b>	Not applicable
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Coverage Offered
<b>Bank Account:</b>	Chase Manhattan Bank
<b>Bank Check:</b>	Relationships are reported to be satisfactory
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory
<b>Customer Checks:</b>	Not applicable
<b>Unions:</b>	Not applicable
<b>Vendex Check:</b>	No derogatory information was found
<b>Attorney:</b>	Alison Radecki, Esq. Orrick Herrington & Sutcliffe LLP 51 West 52 <sup>nd</sup> Street New York, NY 10019
<b>Accountant:</b>	Mary Beth Rousseau, CPA Lighthouse Academies 29140 Chapel Park Drive, Building 5A Wesley Chapel, FL 33543
<b>Consultant/Advisor:</b>	John Phan Urban Futures Inc 17821 East 17 <sup>th</sup> Street, Suite 245 Tustin, CA 92780
<b>Community Board:</b>	Bronx, CB #3

**1005 Intervale Avenue LLC**

Board of Trustees

<b>Name</b>	<b>Position</b>
Javier Lopez-Molina	Chair
Robert Granado	Treasurer
Vilma Caba	Member
Evelyn DeGonzalez	Member
Nikali Jones	Member
David Kaplan	Member
Eric Kinsey	Member
Frantz Merine	Member
Stacy Sutherland	Member
Briar Thompson	Member

April 10, 2018

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

Re: BUILD NYC RESOURCE CORPORATION CHARTER SCHOOL REVENUE BONDS BRONX  
LIGHTHOUSE CHARTER SCHOOL PROJECT SERIES 2018

Dear Mr. Omolade,

We are writing this letter to supplement our application to Build NYC Resource Corporation for a Triple Tax-Exempt Bond financing for Bronx Lighthouse Charter School (“BLCS”) located at 1005 1005 Intervale Avenue, Bronx.

Opened in 2004, BLCS is a public charter school located within the boundaries of New York City Community School District 12 (“12<sup>th</sup> District”), in the Bronx, offering kindergarten through twelfth grade. In the 2017-18 school year, of the 650 students at BLCS, 82% qualify for the federal free and reduced-price lunch program and 8% of students are English language learners.

BLCS believes in 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. BLCS students will acquire the knowledge, skills, values and attitudes to be responsible citizens and effective workers. Students will realize this mission through a curriculum that infuses visual and performing arts into a rigorous core of content. BLCS expects every child to achieve at a high level. All students will master appropriate standards and understand all sequenced content each year.

BLCS would like to issue tax-exempt bonds to refinance its existing taxable loan. Because of rising interest rate levels, the financing is imperative for BLCS to secure a permanent low cost long-term financing and continue its mission to provide quality education for students of all ethnic background and economic circumstance. In the event that BLCS doesn’t receive approval of a bond financing, academic programs will be compromised and employees may be terminated to accommodate for the rising debt service payments.

Sincerely,

Courtney Russell

**Exhibit J**

Resolution approving financing of facilities for 1005 Intervale Avenue LLC and Bronx Lighthouse Charter School and authorizing the issuance and sale of approximately \$12,000,000 of Tax-Exempt and Taxable Revenue Bonds (Bronx Lighthouse Charter School Project), Series 2018 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, 1005 Intervale Avenue LLC, a New York limited liability company (the “Organization”) and Bronx 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 or refinance: (i) the acquisition, renovation and equipping of an approximately 30,000 square foot building on an approximately 9,300 square foot parcel of land located at 1005 Intervale Avenue, Bronx, NY 10459, and (ii) certain ancillary costs related thereto and 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 grades 9 through 12; and

WHEREAS, the sole member of the Organization will initially be the School and it is anticipated that Bronx 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 74 full-time equivalent employees employed by the School at the Facility; that the School expects to retain the approximately 74 full-time employees; 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 (Bronx Lighthouse Charter School Project), Series 2018, in one or more tax-exempt and taxable series, in the aggregate principal amount of approximately \$12,000,000, 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 \$12,000,000, 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, 2053 (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 Debt Service Reserve 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 action is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(23), “investments by or on behalf of agencies or pension or retirement systems, or refinancing existing debt...” which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

Section 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: June 12, 2018

1005 INTERVALE AVENUE LLC

By: \_\_\_\_\_  
Name:  
Title:

BRONX LIGHTHOUSE CHARTER  
SCHOOL

By: \_\_\_\_\_  
Name:  
Title:

Accepted: \_\_\_\_\_, 2018

**Exhibit K**

## Project Summary

Blue School, a New York 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 "School") and Blue School Real Estate, LLC, a New York limited liability company, the sole member of which is the School (the "LLC" and, together with the School, the "Applicant"), are seeking \$4,200,000 in tax-exempt revenue bonds (the "Additional Bonds"). Proceeds from the Additional Bonds will be used to fund: (i) costs of the construction, renovation and equipping of two commercial condominium units encompassing approximately 29,000 square feet of space (the "Acquired Facility") in an approximately 191,000 square foot building located at 156 William Street, New York, New York (the "Building"), as well as 12,000 square feet of the ground floor of such Building which is leased by the LLC (the "Leased Facility"; and, together with the Acquired Facility, the "Facility"); (ii) projected capital improvements including upgrades to fire safety systems, purchasing of additional furniture and equipment, and other capital improvements for the Facility; (iii) the Applicant's share of capital improvements to the Building, including façade and roof repairs, replacement of the Building's chiller and electrical systems, elevator modernization, fire safety systems, and hook-ups for water and sewer services (iv) a debt service reserve fund; and (v) certain costs associated with the issuance of the Additional Bonds. The Facility is owned and/or leased by the LLC and will be operated by the School as an independent co-educational day school for students age 2 through grade 8.

### Current Location

241 Water Street  
 New York, New York, 10038

### Project Location

156 William Street, Units S-1, S-2, and S-3  
 New York, New York 10038

## Prior Actions by BuildNYC

- December 2016 issuance of up to \$39,370,000 of Senior Revenue Bonds (Blue School Project), Series 2016A and \$11,945,000 of Subordinate Revenue Bonds (Blue School Project), Series 2016B

## Actions Requested

- Bond Approval and Authorizing Resolution
- Adopt a SEQRA determination that the proposed project was reviewed in 2016 as an unlisted action with no significant environmental impacts

## Anticipated Closing

Summer 2018

## Impact Summary

Employment	
Jobs at Application:	31.0
Jobs to be Created at Project Location (Year 3):	11.5
<b>Total Jobs (full-time equivalents)</b>	<b>42.5</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$40.96</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$94.65/\$16.00</b>

## Blue School

Estimated City Tax Revenues		
Impact of Operations (NPV 28 years at 6.25%)	\$	2,404,772
One-Time Impact of Renovation		104,930
<b>Total impact**</b>	<b>\$</b>	<b>2,509,702</b>
<b>Additional benefit from jobs to be created</b>	<b>\$</b>	<b>732,653</b>
<b>**Total impact from Series 2016A Bonds</b>	<b>\$</b>	<b>10,337,350</b>

Estimated Cost of Benefits Requested: New York City		
MRT Benefit	\$	68,250
NYC Forgone Income Tax on Bond Interest		58,661
Corporation Financing Fee		(42,000)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$</b>	<b>84,911</b>

<b>Costs of Benefits Per Job</b>		
Estimated Total Cost of Benefits per Job	\$	1,998
Estimated City Tax Revenue per Job	\$	76,291

Estimated Cost of Benefits Requested: New York State		
MRT Benefit	\$	49,350
NYS Forgone Income Tax on Bond Interest		220,696
<b>Total Cost to NYS</b>	<b>\$</b>	<b>270,046</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$</b>	<b>354,957</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$4,200,000	100%
<b>Total</b>	<b>\$4,200,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Construction Hard Costs	\$1,300,000	31%
Construction Soft Costs	400,000	10%
Fixed Tenant Improvements	1,640,000	39%
Furnishings & Equipment	160,000	4%
Debt Service Reserve	380,000	9%
Costs of Issuance	100,000	2%
Original Issue Discount	220,000	5%
<b>Total</b>	<b>\$4,200,000</b>	<b>100%</b>

## **Blue School**

### **Fees**

	Paid At Closing	On-Going Fees (NPV, 28 Years)
Corporation Fee	\$42,000	
Bond Counsel	75,000	
Annual Corporation Fee	1,000	\$13,070
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	\$6,535
Trustee Counsel Fee	5,000	
Total	\$124,000	\$19,605
<b>Total Fees</b>	<b>\$143,605</b>	

### **Financing and Benefits Summary**

Preston Hollow Capital, holder of the 2016 bonds will directly purchase the Additional Bonds, which will have a 28-year term. The interest rate will be fixed at 7.25% on a tax-exempt basis, and will have a 7.68% yield. The Applicant has the option to redeem the Additional Bonds at 100% of par commencing 10 years after the issuance thereof. Otherwise, the Additional Bonds will be subject to mandatory sinking fund redemption annually beginning in 2023. The debt service coverage ratio in 2023 is anticipated to be approximately 1.23x. The Series 2016A Bonds issued in 2016 were priced at a fixed interest rate of 6.75%. The Additional Bonds will be secured by a gross revenues pledge of the School, a debt service reserve fund, a capitalized interest fund, and a mortgage on the facility. The Additional Bonds are at parity par with the Initial Bonds.

### **Applicant Summary**

The School was founded in 2006 and is a co-educational day school. Located in downtown Manhattan, the School currently serves 2-year olds through 8th graders. Its first 8th grade class will be graduating this year. Due to the demand for the unique educational approach offered by the School to its students and parents, and due to the in-progress and projected residential development in the areas that the School serves (primarily lower Manhattan and Brooklyn), the School is expanding its enrollment and its programming offerings in the coming years. The School currently has approximately 300 students enrolled. The expansion will allow the School to increase enrollment to 684 students at full capacity.

#### **Sue Roberson – Chief Financial Officer**

Ms. Roberson hails from Virginia and she graduated from the University of Virginia with a BA degree in English. She received her MBA from the University of Texas at Austin. Ms. Roberson was lured to New York after business school and she has spent the last two decades in a variety of finance, operations and marketing leadership roles at Time Inc. (which publishes Time, Sports Illustrated and People). For the past five years, she served as SVP and CFO, Consumer Marketing and Revenue, overseeing the financials and operations of the company's consumer magazine, book and product businesses. She served on the Board of Directors for Next Issue Media, the Alliance for Audited Media, and JobPath. She also taught as an Adjunct Professor at the NYU Center for Publishing.

#### **Gina Farrar, PhD - Head of School**

Ms. Farrar has been involved in education for more than thirty years -- as a teacher, psychologist, and administrator. She has worked in special education and in mainstream schools, with all ages of children ranging from 3 months old to adults. She taught high school math at LREI and pursued her doctorate in clinical/school psychology from Derner Institute, where she deepened her understanding of self and social intelligence as well as the science of learning. After earning her doctorate, she spent years working with children clinically, in and out of school environments.



## **Blue School**

### **Employee Benefits**

The School provides healthcare and employer contributions for retirement plans.

### **Recapture**

Subject to recapture of the mortgage recording tax benefit.

### **SEQRA Determination**

The completed Environmental Assessment Form for this project is being reviewed by Corporation staff.

### **Due Diligence**

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

<b>Compliance Check:</b>	Not applicable	
<b>Living Wage:</b>	Compliant	
<b>Paid Sick Leave:</b>	Compliant	
<b>Affordable Care Act:</b>	ACA Coverage Offered.	
<b>Private School Policy:</b>	Compliant	
<b>Bank Account:</b>	First Republic Bank and Morgan Stanley	
<b>Bank Check:</b>	Relationships are reported to be satisfactory.	
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.	
<b>Customer Checks:</b>	Relationships are reported to be satisfactory.	
<b>Unions:</b>	Not Applicable	
<b>Vendex Check:</b>	Compliant	
<b>Attorney:</b>	Alison Radecki, Esq. Orrick, Herrington & Sutcliffe, LLP 51 West 52 <sup>nd</sup> Street, New York, NY 10038	
<b>Accountant:</b>	Patrick Yu Baker Tilly Virchow Krause, LLP One Penn Plaza – Suite 3000 New York. NY 10019	
<b>Community Board:</b>	Manhattan, 1	
<b>Board of Trustees:</b>		
Renne Rolleri	Belgies Anan	Hozefa Lokhandwala
Matt Goldman	Lora Appleton	David Rock
Eric Huang	David Beal	Jennifer Lamberts Stanton
Steven Wilson	Erin Isakov	Jen Wink Hays
Philip Stanton	Chris Wink	Lilah Fisher Wise
Lisa Kaye		



241 Water Street  
New York, NY 10038

TEL 212.228.6341  
FAX 212.260.3824  
URL [www.blueschool.org](http://www.blueschool.org)

April 12, 2018

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

Dear Mr. Brandon:

The Blue School is a non-profit independent school that currently provides education programs to 2 year olds through 8<sup>th</sup> graders. In order to ensure our future as a school with the resources to offer a truly compelling educational experience to our students, the school is focusing on expanding, developing and sustaining our unique programmatic offerings for our students. We are on the path to achieving that. The purchase and subsequent renovation of our William Street location will be complete this May, 2018, and we are on schedule to move the upper grades of our primary and middle school programs (grades 4-8) to the new location starting in September, 2018.

Blue School, and Blue School Real Estate, LLC, a 100% wholly owned subsidiary of Blue School, are jointly seeking a loan of approximately \$4.2 million through the issuance of tax-exempt bonds by Build NYC Resource Corporation. These bonds will be privately placed to the lender, Preston Hollow Capital. The proceeds of these bonds will be used for two purposes: (1) to reimburse unforeseen construction costs related to the renovation of three condominium units located at 156 William Street, New York, New York, which included the build-out of fifteen classrooms, a cafeteria, kitchen, gymnasium/theater, movement and arts studios, science/STEAM lab, library, administrative offices, bathrooms and the construction of a private entrance on William Street, and (2) to fund prospective, projected and required capital improvements and core building system upgrades in/to our wholly owned condominium units and in the 156 William Street Building (in which we have an 18.6% ownership) (collectively, the "Project").

The Project will secure and enable the proper utilization of the programmatic space and enable the School's academic programs to flourish and reach their full potential. It is critical for us to pursue this endeavor and engage in this Project in order to best serve our students and families.

Sincerely yours,

A handwritten signature in black ink, appearing to be "SR" followed by a long, sweeping horizontal line.

Susan Roberson  
Chief Financial Officer, Blue School

**Exhibit L**

Resolution approving financing of facilities for Blue School and Blue School Real Estate, LLC and authorizing the issuance and sale of approximately \$4,200,000 of Revenue Bonds (Blue School Project), Series 2018 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 10, 2016, the Issuer adopted a resolution (the “Original Resolution”) authorizing, among other things, the issuance of \$50,200,000, or such greater amount (not to exceed 10% more than the stated amount) of its Revenue Bonds (Blue School Project), Series 2016 (the “Initial Bonds”) for the benefit of Blue 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 “School”), and Blue School Real Estate, LLC, a New York limited liability company, the sole member of which is the School (the “LLC”; and, together with the School, the “Institution”) in order to: (i) refinance a taxable bridge loan, the proceeds of which were used to acquire two commercial condominium units encompassing approximately 29,000 square feet of space (the “Acquired Facility”) in an approximately 191,000 square foot building located at 156 William Street, New York, New York 10038 (the “Building”); (ii) finance the renovation, furnishing and equipping of the Acquired Facility, as well as a third condominium unit consisting of approximately 12,000 square feet of the Building which is leased by the LLC (the “Leased Facility”; and, together with the Acquired Facility, the “Facility”); (iii) fund a debt service reserve fund and a capitalized interest fund; and (iv) pay certain costs of issuance of the Initial Bonds (collectively, the “Original Project”), all to be owned and/or operated by the School as an independent co-educational day school serving students in preschool through grade 8; and

WHEREAS, on December 21, 2016, the Issuer issued the Initial Bonds in the amount of \$51,315,000 in connection with its undertaking of the Original Project; and

WHEREAS, the Issuer has now been requested by the Institution to issue an additional series of bonds in order to (i) finance the costs of the construction, renovation and equipping of the Facility; (ii) finance projected capital improvements including upgrades to fire safety systems, purchasing of additional furniture and equipment, and other capital

improvements for the Facility; (iii) finance the Institution's share of capital improvements to the Building, including façade and roof repairs, replacement of the Building's chiller and electrical systems, elevator modernization, fire safety systems, and hook-ups for water and sewer services (iv) fund a debt service reserve fund; and (v) finance certain costs associated with the issuance of the additional bonds (the "2018 Project"); and

WHEREAS, in order to finance a portion of the cost of the 2018 Project, the Issuer intends to issue its Revenue Bonds, Series 2018 (Blue School Project), in one or more series, in the aggregate principal amount of approximately \$4,200,000, or such greater amount (not to exceed 10% more than such stated amount) (the "Additional Bonds") each as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination"); 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 December 1, 2016 (the "Original Indenture"), between the Issuer and U.S. Bank National Association, 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 Institution; and

WHEREAS, (i) the Issuer will loan the proceeds of the Additional Bonds to Institution pursuant to the Loan Agreement, dated as of December 1, 2016 (the "Original Loan Agreement"), between the Issuer and the Institution, and an Amendment to Loan Agreement, dated a date to be determined (the "Amendment to Loan Agreement", and, together with the Original Loan Agreement, the "Loan Agreement"), between the Issuer and the Institution and consented to by the Trustee, and (ii) the Institution will execute a promissory note in favor of the Issuer and the Trustee (the "Promissory Note") to evidence the Institution's obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Institution's obligations under the Loan Agreement are to be secured by a mortgage lien on and security interest in the Facility, granted by the School and/or the LLC, as applicable, as mortgagor, to the Issuer and the Trustee, pursuant to one or more Mortgages (collectively, the "Mortgage"), which Mortgage will be assigned by the Issuer to the Trustee pursuant to an Assignment of Mortgage and Security Agreement from the Issuer to the Trustee (the "Assignment of Mortgage"), and which Mortgage may be consolidated with the existing Mortgage and Security Agreements executed and delivered in connection with the issuance of the Initial Bonds (the "Existing Mortgages").

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 2018 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 2018 Project and authorizes the Institution to proceed with the 2018 Project as set forth herein, which 2018 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 Loan Agreement and the Promissory Note.

Section 3. To provide for the financing of the 2018 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 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 Additional Bonds in an aggregate amount not to exceed \$4,200,000, or such greater amount (not to exceed 10% more than such stated amount), and the Additional 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, 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 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 by the Issuer of revenues and receipts of the Issuer, including loan payments made by the Institution, to the extent set forth in the Loan Agreement and Indenture hereinafter authorized. The Loan Agreement will be secured by the Mortgage, which Mortgage will be assigned by the Issuer to the Trustee pursuant to the Assignment of Mortgage and consolidated with the Existing Mortgages. The Additional Bonds will also be secured as described in the Indenture. 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, 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 Additional Bonds be payable out of any funds of the Issuer other than those pledged therefor.

Section 5. The Additional Bonds will be directly placed with Preston Hollow Capital, LLC or such other bank, financial institution or other entity as may be approved by the Issuer in the Certificate of Determination.

Section 6. The delivery of the Supplemental Indenture, the Amendment to Loan Agreement, a Letter of Representation and Indemnity Agreement from the Institution, the Assignment of Mortgage, and a Tax Regulatory Agreement from the Issuer and the Institution to the Trustee (the documents referenced in this Section 6 being, collectively, the "Issuer

Documents”), each being substantially in the form approved by the Issuer for prior financings, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel 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, 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 Additional Bonds shall be liable personally on the Additional Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 8. The officers of the Issuer are hereby designated the authorized representatives of the Issuer and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Issuer Documents and the issuance of the Additional Bonds.

Section 9. The Issuer is hereby authorized to cause the Institution to proceed with the 2018 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 Loan Agreement. The Institution is authorized to proceed with the 2018 Project; provided, however, that it is acknowledged and agreed by the Institution 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 Institution for such purpose or for any other purpose.

Section 10. Any expenses incurred by the Issuer with respect to the 2018 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 2018 Project or the Additional Bonds are not issued by the Issuer, shall be paid by the Institution. By accepting this Resolution, the Institution 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 2018 Project and the financing thereof.

Section 11. In connection with the 2018 Project, the Issuer intends to grant the Institution financing assistance in the form of the issuance of the Additional Bonds, and the exemption of mortgage recording tax.

Section 12. Any qualified costs incurred by the Institution in initiating the 2018 Project shall be reimbursed by the Issuer from the proceeds of the Additional Bonds in accordance with Treasury Regulation Section 1.150-2; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

Section 13. This Resolution is subject to the approval of a private investigative report with respect to the Institution, 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 date of such year the Issuer shall (x) have issued the Additional Bonds for the 2018 Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Institution shall be continuing to take affirmative steps to secure financing for the 2018 Project.

Section 14. This Resolution is subject to further compliance with the provisions of Sections 103 and 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the 2018 Project and the Additional Bonds.

Section 15. The Issuer, pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in the 6 N.Y.C.R.R. Part 617, has determined that the proposed Project does not constitute a significant change from the Original Project and does not require additional environmental review. The conclusions of the Issuer in the Original Resolution remain accurate and relevant to the currently proposed actions.

The Issuer in the Original Resolution adopted May 10, 2016 determined that the proposed project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement would 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.
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 proposed project would introduce a use appropriate to the existing zoning.

5. The proposed project would not result in any adverse effects related to hazardous materials or contamination.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

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 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 17. This Resolution shall take effect immediately.

ADOPTED: June 12, 2018

BLUE SCHOOL

By: \_\_\_\_\_  
Name:  
Title:

BLUE SCHOOL REAL ESTATE LLC

By: \_\_\_\_\_  
Name:  
Title:

Accepted: \_\_\_\_\_, 2018

**Exhibit M**

### Project Summary

Friends of The American Dream Charter School Inc. (“FOADS”), a New York not-for-profit corporation, and its affiliate, The American Dream School (“ADS”) a New York not-for-profit education corporation exempt from federal taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended, currently operating a public charter school (jointly, the “School”). The School is seeking approximately \$27,000,000 in tax-exempt and taxable revenue bonds (the “Bonds”). Proceeds of the Bonds will be used, as part of a plan of financing, to finance and refinance the costs of: (1) the acquisition of an approximately 8,497 square-foot parcel of land located at 700 Gerard Avenue, Bronx, New York; (2) the demolition of a parking lot located thereon; (3) the design, construction, furnishing and equipping of an approximately 33,173 square-foot, five-story building located thereon for general classroom and administrative use, together with related site improvements (the “Facility”); (4) any required debt service reserve fund; (5) any required capitalized interest during the construction period; and (6) issuance of the Bonds (the “Project”). FOADS will lease the Facility to ADS to be operated by ADS as a public charter school providing educational services to students in grades 9 through 12.

### Current Location

423 E 138<sup>th</sup> Street, 7<sup>th</sup> Floor  
Bronx, New York 10454

### Project Location

700 Gerard Avenue  
Bronx, New York 10451

### Actions Requested

- Bond Approval and Authorizing Resolution.
- Adopt a negative declaration for this project. The proposed project will not have a significant adverse effect on the environment.

### Anticipated Closing

July 2018

### Impact Summary

<b>Employment</b>	
Jobs at Application*:	55
Jobs to be Created at Project Location (Year 3)*:	19
<b>Total Jobs (full-time equivalents)*</b>	<b>78</b>
<b>Projected Average Hourly Wage (excluding principals)*</b>	<b>\$40.00</b>
<b>Highest Wage/Lowest Wage*</b>	<b>\$55.00/\$15.00</b>
*Employment and wage information is provided for ADS.	

<b>Estimated City Tax Revenues</b>	
Impact of Operations (NPV 30 years at 6.25%)	\$5,252,399
One-Time Impact of Renovation	\$674,523
<b>Total impact of operations and renovation</b>	<b>\$5,926,922</b>
<b>Additional benefit from jobs to be created</b>	<b>\$1,591,050</b>

<b>Estimated Cost of Benefits Requested: New York City</b>	
MRT Benefit	\$438,750
NYC Forgone Income Tax on Bond Interest	\$333,251
Corporation Financing Fee	(\$160,000)

## Friends of the American Dream Charter School, Inc.

<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$612,001</b>
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<b>Costs of Benefits Per Job</b>	
Estimated Net City Cost of Benefits per Jobs in Year 3	\$8,271
Estimated City Tax Revenue per Jobs in Year 3	\$101,594

<b>Estimated Cost of Benefits Requested: New York State</b>	
MRT Benefit	\$317,250
NYS Forgone Income Tax on Bond Interest	\$1,253,760
<b>Total Cost to NYS</b>	<b>\$1,571,010</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$2,183,011</b>

### Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bonds Proceeds	\$27,000,000	100%
<b>Total</b>	<b>\$27,000,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Building Acquisition	\$1,875,000	7%
Construction Hard Costs	\$16,350,750	61%
Construction Soft Costs	\$4,396,672	16%
Debt Service Reserve Fund	\$894,191	3%
Capitalized Interest	\$2,052,514	7.5%
Rounding Amount	\$11,998	0.5%
Fees	\$503,100	2%
Costs of Issuance	\$915,775	3%
<b>Total</b>	<b>\$27,000,000</b>	<b>100%</b>

### Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$160,000	
Bond Counsel	\$135,000	
Annual Corporation Fee	\$1,250	\$17,454
Bond Trustee Acceptance Fee	\$500	
Annual Bond Trustee Fee	\$500	\$6,982
Trustee Counsel Fee	\$5,000	
Total	\$302,250	\$24,436
<b>Total Fees</b>	<b>\$326,686</b>	

### Financing and Benefits Summary

D.A. Davidson & Co. will serve as underwriter for the Bonds, which will be sold through a limited public offering. The Bonds will be issued as two series, a tax-exempt bond series and a taxable bond series. The tax-exempt bond series

## **Friends of the American Dream Charter School, Inc.**

may be issued as draw-down bond, allowing the School to access funds as the Project progresses. It is expected that the Bonds will be secured by a gross revenue pledge of the School, a debt service reserve fund, a capitalized interest fund, a first lien mortgage on all real property of the School and a security interest in the assets of the School. Based on an analysis of the School's financial statements, there is an expected debt service coverage ratio of 1.21x during the first year of Project completion.

### **Applicant Summary**

ADS is a public charter school for students in middle and high school whose mission is to develop academic excellence in both Spanish and English. Founded in 2014, ADS began with a 6<sup>th</sup> grade class and has added a grade in each subsequent year, bringing total student enrollment in grades 6-9 for the current school year to 336 students. ADS specializes in providing education to English Language Learners and immigrant students through a dual language curriculum that allows students to take core classes in both English and Spanish. Each year, ADS has a waitlist that exceeds 200% of available 6<sup>th</sup> grade seats. The primary purpose of FOADS is to advance the mission of ADS, as well as to generate funding to support operational and programmatic expenses and to establish a long-term permanent endowment for the benefit of ADS.

ADS' high school grade is currently housed in temporary accommodations which do not provide for long-term occupancy. The Project will provide ADS with both long-term occupancy and stability and will allow ADS to maintain full enrollment for all four high school grades in one permanent facility. The new Facility will consist of a new high school with 15 classrooms, administrative offices, a cafeteria and a gymnasium. It is expected that ADS will commence occupancy of the Project Facility prior to the start of the 2020-2021 school year.

### **Melissa Meza Melkonian, Founder and Principal**

Ms. Melkonian had a long-held vision to start a school for English language learners and immigrant students. Melissa's parents came to the United States from Mexico. Because Melissa's family only spoke Spanish, she was classified as an ESL student. Despite these challenges, Melissa ultimately learned English, graduated high school, went on to college, and became a teacher and later a school leader. Melissa studied at Columbia University's Teachers College, where she earned an Ed.M. in Educational Leadership through the rigorous training at Summer Principals Academy.

### **Luz Maria Rojas, Chairperson of the Board**

Ms. Rojas joined ADS in (give year). Ms. Rojas was a bilingual teacher of both math and social studies at (give school where she taught) as well as being a crucial member of the School Leadership Team, the Language Allocation Policy Team and the Comprehensive Educational Plan Committee. Ms. Rojas moved on to teach at a charter school in the Bronx before accepting an assistant principal position at a transfer high school in Queens. Prior to becoming a teacher, Ms. Rojas utilized her bilingual skills as an assistant media planner at McCann-Erickson. Luz has earned her B.A. in History at Boston College; M.S. Ed. in Childhood Education at Hunter College and Ed.M. in Educational Leadership at Teachers College, Columbia University.

### **Employee Benefits**

ADS provides health, dental and vision benefits, pre-tax transit support, paid vacation days, access to supplemental insurance products, annual 2-week in-service trainings for teachers, weekly professional development sessions and employer contributions for retirement plans.

### **Recapture**

Subject to recapture of the mortgage recording tax benefit.

**Friends of the American Dream Charter School, Inc.**

**SEQRA Determination**

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.

**Due Diligence**

The Corporation conducted a background investigation of FOADS and ADS and found no derogatory information.

<b>Compliance Check:</b>	Not Applicable
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Coverage Offered
<b>Bank Account:</b>	Chase Bank
<b>Bank Check:</b>	Satisfactory
<b>Supplier Checks:</b>	Satisfactory
<b>Customer Checks:</b>	Satisfactory
<b>Unions:</b>	Not Applicable
<b>Vendex Check:</b>	No derogatory information was found.
<b>Attorney:</b>	Eric Seltzer Gilbride, Tusa, Last & Spellane LLC 675 Third Avenue, 31 <sup>st</sup> Floor New York, NY 10017
<b>Accountant:</b>	Digant Bahl Accounting Solutions of New York, Inc. 80 Maiden Lane, 11 <sup>th</sup> Floor New York, NY 10038
<b>Underwriter:</b>	Eric Duran D.A. Davidson & Co. 1550 Market Street, Suite 300 Denver, CO 80202
<b>Community Board:</b>	Bronx, CB #4

**Friends of the American Dream Charter School, Inc.**

**Board of Trustees**

Luz Maria Rojas, Chairperson

Patricia Simon, Board Member

Robert Vargas, Board Member

Roselin Espinal, Treasurer

Zuleika Martinez, Secretary

Angelo Cabrera, Board Member

**Exhibit N**



Resolution approving the financing and refinancing of a certain facility for The American Dream School and authorizing the issuance and sale of approximately up to \$29,700,000 Tax-Exempt and Taxable Revenue Bonds (The American Dream School Project), Series 2018, 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, Friends of the American Dream Charter School Inc., a New York not-for-profit corporation (“FOADS”) and The American Dream School, a New York not-for-profit education corporation operating a public charter school (the “School”), entered into negotiations with officials of the Issuer with respect to the financing and refinancing of the costs of the acquisition by FOADS of an approximately 8,497 square-foot parcel of land located at 700 Gerard Avenue, Bronx, New York, the demolition of a parking lot located thereon, and the design, construction, furnishing and equipping of an approximately 33,173 square-foot, five-story building located thereon for lease to the School for general classroom and administrative use by the School, together with related site improvements (collectively, the “Facility”), to be operated by the School as a public charter school providing educational services to students in grades 9 through 12 (the “Project”); and

WHEREAS, FOADS and the School have 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 School, FOADS and the Project, including the following: that the purpose of FOADS is to assist and promote the School including generating funding to support the School’s operational and programmatic costs, and intends to own the Facility in order to lease the Facility to the School; that the mission of the School is to develop academic excellence in both Spanish and English, preparing students in grades 6 through 12 to excel in college by focusing on dual language programs, project and experiential-based learning, advisors and cultural experiences, among other matters; that the Facility will provide the School with both stability and long-term occupancy, and the Project would not be undertaken by FOADS or the School but for the financial assistance to

be provided by the Issuer; and that without such financial assistance, the Project would not be feasible and the School would lack adequate space for its needs; and

WHEREAS, the Issuer desires to further encourage FOADS and the School with respect to the financing of the Facility, if by doing so it is able to induce FOADS and the School to proceed with the Project; and

WHEREAS, in order to finance a portion of the cost of the Project, the Issuer intends to issue from time to time as draw-down bonds its Tax-Exempt and Taxable Revenue Bonds (The American Dream School Project), Series 2018, in the aggregate principal amount of approximately \$27,000,000 (or such greater principal amount not to exceed \$29,700,000) (the "Bonds"), as may be determined by a certificate of determination of an authorized officer of the Issuer (the "Certificate of Determination"), all pursuant to an Indenture of Trust (the "Indenture") to be entered into between the Issuer and The Bank of New York Mellon, as trustee (the "Trustee"); and

WHEREAS, the Issuer intends to loan the proceeds of the Bonds to FOADS and, if determined by Certificate of Determination, the School, pursuant to a Loan Agreement (the "Loan Agreement") to be entered into between the Issuer and FOADS and, if determined by Certificate of Determination, the School; and FOADS and, if determined by Certificate of Determination, the School, will execute one or more promissory notes in favor of the Issuer (and endorsed by the Issuer to the Trustee) (collectively, the "Promissory Note") to evidence the obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Bonds are to be secured by: (i) a collateral assignment of lease and one or more mortgage liens on and security interests in the Facility granted by FOADS and the School, as mortgagor, to the Issuer and the Trustee, as mortgagees, pursuant to one or more Mortgage and Security Agreements (collectively, the "Mortgage"), which Mortgage will be assigned by the Issuer to the Trustee pursuant to one or more Assignments of Mortgage and Security Agreement from the Issuer to the Trustee (collectively, the "Assignment of Mortgage"); (ii) if determined by Certificate of Determination, an Account Control Agreement between FOADS and The Bank of New York Mellon as Depository Bank in favor of the Trustee (the "Control Agreement"); and (iii) an Assignment of Contracts, Licenses and Permits (the "Assignment of Contracts") from FOADS and, if determined by Certificate of Determination, the School, to the Trustee;

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

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

Section 2. The Issuer hereby approves the Project and authorizes the Applicant to proceed with the Project as set forth herein, which financing and refinancing will be effected in part through the issuance of the Bonds of the Issuer, which Bonds will be special limited revenue

obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Loan Agreement and the Promissory Note.

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

The Bonds shall be issued as fully registered bonds in one or more tax-exempt and/or taxable series shall be dated as provided in the Indenture, shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable as to interest by check, draft or wire transfer as provided in the Indenture, shall bear interest at annual fixed rates (such final rates to be determined by the Certificate of Determination), shall be subject to optional and mandatory redemption and tender as provided in the Indenture and shall be payable as provided in the Indenture until the payment in full of the principal amount thereof, all as set forth in the Bonds. The Tax-Exempt Bonds shall be issued in the approximate principal amount of \$27,000,000, shall be issued as draw-down bonds, shall bear interest at annual rates of interest not to exceed 8%, and shall mature approximately 36 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination). The Taxable Bonds shall be issued in the approximate principal amount of \$2,000,000, shall bear interest at annual rates of interest not to exceed 10%, and shall mature approximately 9 years following their date of issuance (such final interest rates, principal amount and maturity to be determined by the Certificate of Determination).

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

Section 4. The Bonds shall be secured by the pledge effected by the Indenture and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts payable under the Loan Agreement and the Promissory Note to the extent set forth in the Loan Agreement and the Indenture hereinafter authorized. The Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the Revenue Fund, the Bond Funds, the Debt Service Reserve Funds, the Repair and Replacement Reserve Fund, the Project Funds, the Renewal Fund and such other funds as established under the Indenture (subject to disbursements therefrom in accordance with the Loan Agreement and the Indenture), and shall never constitute a debt of the State of New York or of The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the Bonds be payable out of any funds of the Issuer other than those pledged therefor. The payment of the principal of, redemption premium, if any, and interest on the Bonds will be secured pursuant to the Mortgage, the Security Agreement and the Assignment of Contracts.

Section 5. The Bonds are authorized to be sold to D.A. Davidson & Co. or an affiliate thereof, as underwriter or placement agent (or such other or additional banking firm or firms as shall be approved by Certificate of Determination) (the "Investment Bank"), or placed by the Investment Bank with such institution(s) as shall be approved by the Certificate of Determination, in each case at such purchase price as shall be approved by the Certificate of Determination.

Section 6. The execution and delivery of the Indenture, the Loan Agreement, the endorsement of the Promissory Note to the Trustee, a Preliminary Official Statement or Preliminary Offering Memorandum with respect to the Bonds, a final Official Statement or Offering Memorandum with respect to the Bonds (the "Offering Statement"), a Bond Purchase Agreement or Bond Placement Agreement among FOADS, the School, the Issuer and the Investment Bank, the Assignment of Mortgage, a Building Loan Agreement among the Issuer, FOADS and the Trustee, a Letter of Representation and Indemnity Agreement from FOADS and the School to the Issuer, the Trustee and the Investment Bank, and a Tax Regulatory Agreement from the Issuer, FOADS and the School to the Trustee (the documents referenced in this Section 6 being, collectively, the "Issuer Documents"), each being substantially in the form approved by the Issuer for prior financings, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Document. The execution and delivery of each such Issuer Document by said officer shall be conclusive evidence of due authorization and approval.

Section 7. The Issuer hereby authorizes the distribution of the Preliminary Official Statement with respect to the Bonds and the Official Statement to prospective purchasers of the Bonds.

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

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

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

Section 10. The Issuer is hereby authorized to cause FOADS and the School to proceed with the Project, the agreed costs thereof to be paid by the Issuer by the application of the proceeds of the Bonds, all as particularly authorized by the terms and provisions of the Loan

Agreement. FOADS and the School are authorized to proceed with the Project; provided, however, that it is acknowledged and agreed by FOADS and the School 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 FOADS or the School for such purpose or for any other purpose.

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

Section 12. In connection with the Project, the Issuer intends to grant FOADS and the School 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 FOADS and the School in initiating the Project shall be reimbursed by the Issuer from the proceeds of the Bonds; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

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

The Issuer has determined that the 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:

- (i) The proposed Project will not result in a substantial adverse change in existing traffic, air quality, or noise levels; the school population and employees are expected to use public transit to travel to/from the proposed school;
- (ii) The Project site is located in the Grand Concourse Historic District and therefore the design of the building and construction will be approved by and coordinated with the Landmarks Preservation Commission; by coordinating the design of the new building with the appropriate character of the historic district, the proposed Project would not result in significant adverse impacts on the historic or aesthetic resources of the existing neighborhood;

- (iii) The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality;
- (iv) The proposed Project would not result in a change in existing zoning or land use; a new school building would be consistent with existing land use in the surrounding neighborhood;
- (v) A Phase I Environmental Site Assessment conducted on the Project site in July 2017 did not indicate any environmental conditions; the proposed Project would not result in any significant impacts related to hazardous materials; and
- (vi) No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 15. This Resolution is subject to the approval of a private investigative report with respect to FOADS and the School, which approval shall be conclusively evidenced by the delivery of the Issuer Documents authorized pursuant to Section 6 hereof. The provisions of this Resolution shall continue to be effective until one year from the date hereof, whereupon the effectiveness of this Resolution shall terminate (except with respect to the matters contained in Section 11 hereof) unless (i) prior to the expiration of such year the Issuer shall (x) have issued the Bonds or a principal portion thereof for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) FOADS and the School shall be continuing to take affirmative steps to secure financing for the Project.

Section 16. This Resolution constitutes “other similar official action” under the provisions of Treasury Regulation 1.103-8(a)(5) promulgated under Section 103 and related sections of the Internal Revenue Code of 1986, as amended (the “Code”). This Resolution is subject to further compliance with the provisions of Sections 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the Project and the Bonds.

Section 17. The Issuer recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Issuer herein. The Issuer hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the Certificate of Determination.

Section 18. This Resolution shall take effect immediately.

ADOPTED: June 12, 2018

THE AMERICAN DREAM SCHOOL

By: \_\_\_\_\_  
Name:  
Title:

FRIENDS OF THE AMERICAN  
DREAM CHARTER SCHOOL INC.

By: \_\_\_\_\_  
Name:  
Title:

Accepted: \_\_\_\_\_, 2018

**Exhibit O**



## Project Summary

Friends of Hebrew Public Borrower, LLC (the “Borrower”), a Delaware limited liability company that is a disregarded entity for federal tax purposes having as its sole member an entity that is exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), is seeking approximately \$32,925,000 in tax-exempt and taxable revenue bonds (collectively, the “Bonds”) in one or more series as part of a plan to: (1) acquire an approximately 17,420 square foot parcel of land located at 166 Kings Highway, Brooklyn, New York (the “Land”); (2) demolish the existing improvements located on the Land; (3) construct, furnish and equip an approximately 34,570 square foot building comprised of three above-ground stories for general classroom and administrative use and a cellar with mechanical equipment, together with related site improvements (the “Facility”); and (4) pay capitalized interest and certain costs related to the issuance of the Bonds. The sole member of the Borrower will be Friends of Hebrew Public, Inc. (“Friends”), a New York not-for-profit corporation that is seeking recognition as an organization described in Section 501(c)(3) of the Code, if Friends receives its recognition as an organization described in Section 501(c)(3) of the Code prior to the issuance of the Bonds, or, if Friends does not receive such recognition, National Center for Hebrew Language Charter School Excellence and Development, Inc. (“Hebrew Public”), a Delaware nonstock corporation exempt from federal taxation pursuant to 501(c)(3) of the Code. If Hebrew Public is required to be the sole member of the Borrower, then, at such time as Friends receives its recognition as an organization described in Section 501(c)(3) of the Code, Friends will be substituted for Hebrew Public as the sole member of the Borrower. The Land and the Facility will be owned by the Borrower and leased by the Borrower to Hebrew Language Academy Charter School 2 (“HLA2”), a New York not-for-profit education corporation recognized as an organization described in Section 501(c)(3) of the Code, to be operated as a Hebrew language public charter school providing educational services for students in kindergarten through Grade 5.

## Project Locations

166 Kings Highway  
Brooklyn, New York 11223

## Action Requested

- Bond Approval and Authorizing Resolution
- Adopt a negative declaration for this project. The proposed project will not have a significant adverse effect on the environment.

## Anticipated Closing

July 2018

## Impact Summary

Employment <sup>1</sup>	
Jobs at Application:	57.5
Jobs to be Created at Project Location (Year 3):	10.5
<b>Total Jobs (full-time equivalents)</b>	<b>68.0</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$ 30.00</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$ 39.00/19.00</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 34 years at 6.25%)	\$ 2,517,673
One-Time Impact of Renovation	517,964
<b>Total Impact</b>	<b>\$ 3,035,637</b>

<sup>1</sup> Figures represent employment for HLA2  
Kyle Brandon, SIG  
Caroline Nguyen, LGL

## National Center for Hebrew Language Charter School Excellence and Development, Inc.

Estimated Cost of Benefits Requested: New York City		
MRT Benefit	\$	535,031
NYC Forgone Income Tax on Bond Interest		431,992
Corporation Financing Fee		(200,000)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$</b>	<b>800,742</b>

Costs of Benefits Per Job		
Estimated Total Cost of Benefits per Job at Year 3	\$	126,324
Estimated City Tax Revenue per Job at Year 3	\$	136,541

Estimated Cost of Benefits Requested: New York State		
MRT Benefit	\$	386,869
NYS Forgone Income Tax on Bond Interest		1,625,244
<b>Total Cost to NYS</b>	<b>\$</b>	<b>2,036,494</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$</b>	<b>2,837,236</b>

### Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	32,925,000	100%
<b>Total</b>	<b>32,925,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Land & Building Acquisition	9,000,000	27%
Construction Hard Costs	10,880,000	33%
Construction Soft Costs	4,478,142	14%
Debt Service Reserve Fund	1,208,625	4%
Capitalized Interest	4,157,914	13%
Costs of Issuance	1,448,000	5%
Fees and Contingency	1,752,319	4%
<b>Total</b>	<b>32,925,000</b>	<b>100%</b>

### Fees

	Paid At Closing	On-Going Fees (NPV, 34 Years)
Corporation Fee	200,000	
Bond Counsel	135,000	
Annual Corporation Fee	1,250	17,454
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	6,982
Trustee Counsel Fee	5,000	
Total	342,250	
<b>Total Fees</b>	<b>366,686</b>	

### Financing and Benefits Summary

The Bonds will be placed by D.A. Davidson & Co. with Rosemawr Management LLC on behalf of its discretionary managed investment funds. The Bonds will be issued in two series, approximately \$31,700,000 in tax-exempt bonds (the "Series 2018 A Bonds") and approximately \$1,225,000 in taxable bonds (the "Series 2018 B Bonds"). The Series A Bonds will have a thirty-four year maturity and will bear a fixed interest rate of 5.875%. The Series B Bonds will have a 9-year maturity and will bear a fixed interest rate of 7.75%. The Bonds will be secured by a first mortgage on

## **National Center for Hebrew Language Charter School Excellence and Development, Inc.**

the building and all real property of the Borrower, and by pledged revenues of the Borrower, which include lease payments from HLA2. The debt service coverage ratio is anticipated to be 2.43.

### **Applicant Summary**

The Borrower is a disregarded entity for federal tax purposes, the sole member of which will be the Friends, once Friends receives recognition as an organization described in Section 501(c)(3) of the Code. Friends was formed to support the operation of Hebrew language public charter schools in New York.

HLA2 is a New York Hebrew language public charter school, which provides students with the academic and personal foundation necessary to successfully pursue advanced studies and achieve continued personal growth as ethical and informed global citizens. In order to accomplish this, HLA2 offers an academically rigorous curriculum, which includes daily instruction in the Hebrew language.

At HLA2, global citizenship education is fostered through the daily study of Modern Hebrew (which students learn for at least one hour per day), the comparative study of Israel and of students' local community, the use of small group instruction, and through our focus on diversity and inclusion.

### **Employee Benefits**

Subject to recapture of mortgage recording tax benefit.

### **Employee Benefits**

Friends offers health and dental insurance, contributions to employees 401(k) retirement plans, life insurance, short-term disability, and sponsorships for continuing education.

### **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.

### **Due Diligence**

The Corporation conducted a background investigation of the Borrower, LLC, Friends, Hebrew Public and HLA2 and found no derogatory information.

<b>Compliance Check:</b>	Not applicable
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA coverage offered
<b>Private School Policy:</b>	Not applicable
<b>Bank Account:</b>	HSBC
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.
<b>Customer Checks:</b>	Relationships are reported to be satisfactory.
<b>Unions:</b>	Not applicable
<b>Vendex Check:</b>	No derogatory information was found.
<b>Contact Person</b>	Jon Resenberg Hebrew Public Inc.

**National Center for Hebrew Language Charter School Excellence and Development, Inc.**

555 8<sup>th</sup> St., Suite 1703  
New York, NY 10018

**Attorney:**

Richard Krainin, Esq.  
Arent Fox LLP  
25 Madison Ave. 19<sup>th</sup> Floor  
New York, NY 10016

**Accountant:**

Michelle Cain, CPA  
Mengel Metger Barr & Co.  
100 Chestnut St. Ste. 1200  
Rochester, NY 14604

**Community Board:**

Brooklyn, CB11

**Board of Trustees**

Adam Miller, Chair  
Sue Fox, Vice Chair  
Stella Binkevich, Treasurer  
Aaron Listhaus, Secretary

Michael Tobman  
Ella Zalkind  
Alice Li  
Will Mack

**Friends of Hebrew Public  
555 8<sup>th</sup> Avenue, Suite 1703  
New York, NY 10018  
(212) 792-6241**

February 13, 2018

Build NYC Resource Corporation  
110 William Street  
New York, New York 10038  
Attn: Edgar Avalos

RE: Friends of Hebrew Public, Inc. Application for Bond Financing

Dear Mr. Avalos:

Friends of Hebrew Public, Inc. (FOHP), a New York not-for-profit corporation, is pleased to submit the enclosed application and supporting documentation to Build NYC Resource Corporation (Build NYC) for tax-exempt and taxable bond financing in an aggregate principal amount not to exceed \$35,000,000.

Proceeds of the bonds will be used by FOHP to (i) acquire an approximately 17,420 square foot parcel of land located at 166 Kings Highway, Brooklyn, NY 11223, Borough: Brooklyn, Block 6619, Lot 42 (Project Site); (2) demolish the improvements located on the Project Site; (3) construct, furnish and equip an approximately 34,570 square foot building comprised of three above-ground stories for general classroom and administrative use and a cellar with mechanical equipment, together with related site improvements (Facility); (4) pay capitalized interest during construction and pay certain costs related to the issuance of the bonds. FOHP will lease the Facility to Hebrew Language Academy 2 Charter School (HLA2) as a charter school providing educational services for students in grades K through 5.

FOHP was formed to support the operation of Hebrew language public charter schools in New York State by raising funds and resources for New York Hebrew language public charter schools and their students.

HLA2 is a New York Hebrew language public charter school which provides students with the academic and personal foundation necessary to successfully pursue advanced studies and achieve continued personal growth as ethical and informed global citizens. In order to accomplish this, HLA2 offers an academically rigorous curriculum which includes daily instruction in the Hebrew language. "Global citizenship" education is a big part of HLA2's focus. It includes the development of student skills in communication (including learning a foreign language), collaboration, critical thinking, and creativity. It also includes an emphasis on empathy and emotional intelligence.

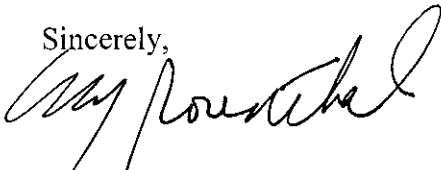
At HLA2, global citizenship education is fostered through the daily study of Modern Hebrew (which students learn for at least one hour per day), the comparative study of Israel and of students' local community, the use of small group instruction, and through our focus on diversity and inclusion.

HLA2 is proud of its inclusive and diverse community. HLA2 serves students from all backgrounds, including a high percentage of students with special needs and a growing number of students who are English language learners. HLA2 is a member of the Coalition of Diverse Charter Schools.

HLA2 is currently housed in temporary accommodations which do not provide for either long-term occupancy or planned growth. The acquisition and construction of a new school at the Project Site will provide HLA2 with both long-term occupancy and the ability to increase enrollment, as planned, as well as to allow HLA2 to provide classrooms and ancillary educational services in a setting designed to meet the needs of its students. The project would not be undertaken but for the financial assistance requested from Build NYC. Neither FOHP nor HLA2 is able to obtain conventional financing on terms that make the Project feasible. Without the requested financial assistance from Build NYC, HLA2 would lack adequate space for its needs.

We thank you for your consideration of our application and look forward to working with you and the entire Build NYC team in connection with the requested financing assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ely Rosenthal', written in a cursive style.

Ely Rosenthal  
CFO

**Exhibit P**

Resolution approving financing of a facility for Friends of Hebrew Public Borrower, LLC and authorizing the issuance and sale of approximately \$32,925,000 of Tax-Exempt and Taxable Revenue Bonds (Friends of Hebrew Public Borrower, LLC Project), Series 2018 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, Friends of Hebrew Public Borrower, LLC (the “Applicant”), a Delaware limited liability company that is a disregarded entity for federal tax purposes having as its sole member an entity that is exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has entered into negotiations with officials of the Issuer for the Issuer’s assistance with a tax-exempt revenue bond and taxable revenue bond transaction, the proceeds of which, together with other funds of the Applicant, will be used by the Applicant to finance: (1) the acquisition of an approximately 17,420 square foot parcel of land located at 166 Kings Highway, Brooklyn, New York 11223 (the “Land”); (2) demolition of the existing improvements located on the Land; (3) construction and furnishing and equipping of an approximately 34,570 square foot building comprised of three above-ground stories for general classroom and administrative use and a cellar with mechanical equipment, together with related site improvements (together with the Land, the “Facility”); (4) funding of debt service reserve fund; and (5) payment of capitalized interest and certain costs of the issuance of the bonds (collectively, the “Project”); and

WHEREAS, the sole member of the Applicant will be the Friends of Hebrew Public, Inc. (“Friends”), a New York not-for-profit corporation that is seeking recognition as an organization described in Section 501(c)(3) of the Code, if Friends receives its recognition as an organization described in Section 501(c)(3) of the Code prior to the issuance of the Bonds, or, if Friends does not receive such recognition prior to the issuance of the bonds, National Center for Hebrew Language Charter School Excellence and Development, Inc. (“Hebrew Public”), a Delaware nonstock corporation exempt from federal taxation pursuant to 501(c)(3) of the Code; and

WHEREAS, if Hebrew Public is initially the sole member of the Applicant, then,



at such time as Friends receives its recognition as an organization described in Section 501(c)(3) of the Code, it is intended that Friends will be substituted for Hebrew Public as the sole member of the Applicant; and

WHEREAS, the Facility will be leased by the Applicant to Hebrew Language Academy Charter School 2, a not-for-profit education corporation organized and existing under the laws of the State of New York and exempt from federal taxation pursuant to Section 501(c)(3) of the Code (the “School”), for operation by the School as a Hebrew language public school providing educational services for students from kindergarten through grade 5; 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, the School 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 will be approximately 57.5 full-time equivalent employees employed by the School at the Facility initially; that the School expects to hire 10.5 additional full-time equivalent employees within three years of the commencement of operations at the Facility; that the financing of the Project costs with the Issuer’s financing assistance will provide savings to the School 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 (Friends of Hebrew Public Borrower, LLC Project), Series 2018, in one or more tax-exempt and taxable series, in the aggregate principal amount of approximately \$32,925,000, 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 Applicant pursuant to a Loan Agreement (the “Loan Agreement”) to be entered into between the Issuer and the Applicant, and (ii) the Applicant will execute one or more promissory notes in favor of the Issuer and the Trustee (collectively, the “Promissory Note”) to evidence the Applicant’s obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Bonds are to be secured by mortgage liens on and security interests in 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

WHEREAS, the Bonds are to be further secured by a pledge of certain revenues of the Applicant granted by the Applicant to the Trustee pursuant to a Pledge and Security Agreement (the “Pledge and Security Agreement”); and

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

Section 1. The Issuer hereby determines that the financing of 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 \$32,925,000, 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 Applicant, to the extent set forth in the Loan Agreement and Indenture hereinafter authorized. The Bonds shall be further secured by the Mortgage and the Pledge and Security Agreement. The Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the 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 D.A. Davidson & 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 or Preliminary Private Placement Memorandum with respect to the Bonds (the “Preliminary Offering Document”) and the execution and delivery of the Indenture, a final Private Placement Memorandum or final Official Statement with respect to the Bonds (the “Final Offering Document”), a Bond Placement Agreement or Bond Purchase Agreement with the Applicant and the Investment Bank, the Loan Agreement, a Letter of Representation and Indemnity Agreement from the Applicant, the Assignment of Mortgage, a Building Loan Agreement, among the Issuer, the Applicant and the Trustee, and a Tax Regulatory Agreement from the Issuer and the Applicant to the Trustee (the documents referenced in this Section 6 being, collectively, the “Issuer Documents”), each being substantially in the form approved by the Issuer for prior financings, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer 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 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 in accordance with Treasury Regulation Section 1.150-2; 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 is subject to further compliance with the provisions of Sections 103 and 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 population and employees are expected to use public transit to travel to/from the proposed school.
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. A new school building would be consistent with existing land use in the surrounding neighborhood.
5. A Phase I Environmental Site Assessment conducted on the project site in March 2016 identified that the site had previously been used for various automotive operations (including a filling station and car wash) and contained several gasoline underground storage tanks. Database searches also revealed that several nearby properties may have resulted in the migration of contaminants onto the site. A Phase II investigation was indicated. The Phase II, performed in April 2018, found soil contamination around the existing underground storage tanks and in the groundwater and recommended a number of measures to be implemented during the construction of the proposed project:
  - A. Historic fill is present on the subject property and will require special handling and off-site disposal. This material cannot be reused during site redevelopment.
  - B. The location and presence of underground storage tanks must be confirmed during construction. Tanks should be excavated and properly removed.
  - C. Due to the presence of volatile organic compounds in the soil and groundwater, a vapor barrier must be included in the design of the site's foundation to mitigate for any potential vapor intrusion into the building. The vapor barrier should consist, at a minimum, of a

20-mil barrier product and a ventilation system may be required.

With the implementation of the aforementioned measures, the proposed project would not result in any significant impacts related to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 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: June 12, 2018

FRIENDS OF HEBREW PUBLIC  
BORROWER, LLC

By: \_\_\_\_\_

Name:

Title:

Accepted: \_\_\_\_\_, 2018

**Exhibit Q**

### Project Summary

New Dawn Charter High School (the “School”), a New York not-for-profit education corporation authorized as a charter school by the Board of Regents of the University of the State of New York for and on behalf of the New York State Education Department and exempt from federal taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is seeking approximately \$19,010,000 in tax-exempt revenue bonds (the “Bonds”). Proceeds from the Bonds, together with funds of the School, will be used to: (1) finance the acquisition and renovation of an approximately 7,500 square foot parcel of land located at 238-242 Hoyt Street, Brooklyn, New York (the “Original Facility”), (2) finance the construction, equipping, and furnishing of an approximately 12,000 square foot addition to the Original Facility (the “Facility”), (3) fund a required debt service reserve fund, and (4) fund costs of issuance of the Bonds. The School will own and operate the Facility as a public charter school for over-aged and under-credited students in grades 9-12.

### Project Location

238-242 Hoyt Street  
Brooklyn, NY 11217

### Actions Requested

- Bond Approval and Authorizing Resolution
- Adopt a negative declaration for this project. The proposed project will not have a significant adverse effect on the environment.

### Anticipated Closing

Fall 2018

### Impact Summary

<b>Employment</b>		
Jobs at Application:		37
Jobs to be Created at Project Location (Year 3):		2
<b>Total Jobs (full-time equivalents)</b>		<b>39</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$</b>	<b>31.07</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$</b>	<b>41.76/17.46</b>

<b>Estimated City Tax Revenues</b>		
Impact of Operations (NPV 30 years at 6.25%)	\$	3,187,000
One-Time Impact of Renovation		225,125
<b>Total impact</b>	<b>\$</b>	<b>3,412,521</b>
<b>Additional benefit from jobs to be created</b>	<b>\$</b>	<b>127,604</b>

<b>Estimated Cost of Benefits Requested: New York City</b>		
MRT Benefit	\$	308,913
NYC Forgone Income Tax on Bond Interest		101,544
Corporation Financing Fee		(120,100)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$</b>	<b>209,519</b>



## New Dawn Charter High School

<b>Costs of Benefits Per Job</b>		
Estimated Net City Cost of Benefits per Job in Year 3	\$	7,445
Estimated City Tax Revenue per Job in Year 3	\$	90,769

<b>Estimated Cost of Benefits Requested: New York State</b>		
MRT Benefit	\$	223,367
NYS Forgone Income Tax on Bond Interest		382,029
<b>Total Cost to NYS</b>	<b>\$</b>	<b>605,397</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$</b>	<b>895,754</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	19,010,000	82%
Equity	4,460,000	18%
<b>Total</b>	<b>\$23,470,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Acquisition Costs	14,000,000	60%
Hard Costs	6,900,000	29%
Soft Costs	450,000	2%
Debt Service Reserve Fund	1,400,000	6%
Cost of Issuance	720,000	3%
<b>Total</b>	<b>23,470,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$ 120,100	
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	262,350	23,457
<b>Total Fees</b>	<b>\$ 285,807</b>	

## Financing and Benefits Summary

B.C. Ziegler and Company will serve as the underwriter for the Bonds, which will be publicly offered. The Bonds are anticipated to be issued as fixed-rate bonds with an approximately 30-year maturity and an indicative interest rate of 3% - 5%. The Bonds will be secured by (i) a first mortgage lien on the Facility and (ii) an Account Control Agreement on revenues of the School. Based on an analysis of the School's financial statements, it is expected to have a debt service coverage ratio of 2.49x.

## **New Dawn Charter High School**

### **Applicant Summary**

New Dawn Charter High School (“New Dawn”) is a public NYC Transfer High School chartered by the Board of Regents through the New York State Education Department (“NYSED”) in September 2011. As a transfer school, New Dawn enrolls the most at-risk students in New York City. Students graduate with a NYSED diploma, meeting all graduation requirements including passing the five content Regents exams (English Language Arts, US History & Government, Global Studies, Science, and Math). New Dawn provides over-aged and under-credited students 15 - 21 years of age, including those who are English Language Learners and those with special needs, the opportunity to return to school and obtain a high school diploma through a rigorous NYSED standards-based education program. Within the framework of the education program, three programs are offered: 1) interventions for those with fewer than 11 credits those with 11 or more credits: 2) internships in the community and 3) college enrollment. The School serves 485 students.

The School currently leases space at 238-242 Hoyt Street and is in the process of purchasing the building. Once the building is purchased with Bond proceeds, the School will (i) replace all systems, (ii) renovate the existing floors, and (iii) build two additional floors.

### **Ronald J. Tabano, CEO/Principal of John V. Lindsay Wildcat Academy Charter School**

Ronald Tabano co-founded the School, Wildcat Academy, and the Second Opportunity School. Mr. Tabano graduated from the New School for Social Research with a M.A. in Human Resource Management and subsequently obtained a Professional Diploma in Supervision and Administration from Queens College.

### **Sara M. Asmussen, CRC, PhD, Founding Executive Director**

As the founding executive director, Dr. Asmussen is responsible for overseeing and implementation of the day to day budgeting, pedagogy, operations, and human resources of the school. Prior to this role, Dr. Asmussen worked as the director of compliance and accountability at the John V. Lindsay Wildcat Academy Charter School. Dr. Asmussen’s role in education dates back to 1985 and has spanned across research, grant writing, and consulting. Dr. Asmussen earned her Ph.D from the University of Toledo in Experimental Psychology and has a postdoctoral fellowship from the Institute for Health, Health Care Policy, and Aging Research.

### **George J. Crowley, Board Member (Treasurer), Retired**

Before retirement, Mr. Crowley served as the Chief Financial Officer for the Wildcat Service Corporation, a not-for-profit organization serving the chronically unemployed and criminal justice population with training and job placement. Concurrently, Mr. Crowley was a board member and business manager at the John. V. Lindsay Wildcat Charter School. Mr. Crowley holds a B.B.A. Accounting from St. John’s University.

### **Employee Benefits**

The School offers health, dental and vision insurance, a 403(b) match, sponsored professional development and a two-week sabbatical every three years.

### **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.

### **Due Diligence**

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

**Compliance Check:** Not Applicable

**Living Wage:** Compliant

## **New Dawn Charter High School**

<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Coverage Offered
<b>Private School Policy:</b>	Not applicable
<b>Bank Account:</b>	Bank of America
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.
<b>Customer Checks:</b>	Relationships are reported to be satisfactory.
<b>Unions:</b>	Relationships are reported to be satisfactory.
<b>Vendex Check:</b>	No derogatory information was found.
<b>Applicant Contact Person:</b>	Sara Asmussen New Dawn Charter High School 242 Hoyt Street Brooklyn, NY 11217
<b>Attorney:</b>	Maria Groeneveld, Esq. Davidoff Hutcher & Citron LLP 605 Thrd Avenue New York, NY 10158
<b>Accountant:</b>	David Ashenfarb, CPA Schall & Ashenfarb CPAs,LLC 307 5 <sup>th</sup> Avenue, 15 <sup>th</sup> Floor New York, NY 10016
<b>Consultant:</b>	Ronald Tabano JVL Wildcat Academy Charter School 17 Battery Place New York, NY 10014
<b>Community Board:</b>	Brooklyn, CB6

## **Board of Directors**

### **Chair**

**Ronald Tabano**  
CEO/Principal  
John. V. Lindsay Wildcat Academy Charter School

### **Secretary**

**Samir Souidi**  
Software Architect  
Population Council

### **Vice Chair**

**Leslie Winter**  
Independent Real Estate Agent  
Former Assistant Commissioner NYC

### **Phillip Weitzman**

Hearing Officer  
Environmental Control Board, Office of  
Administrative Tribunals & Hearings, City of New  
York

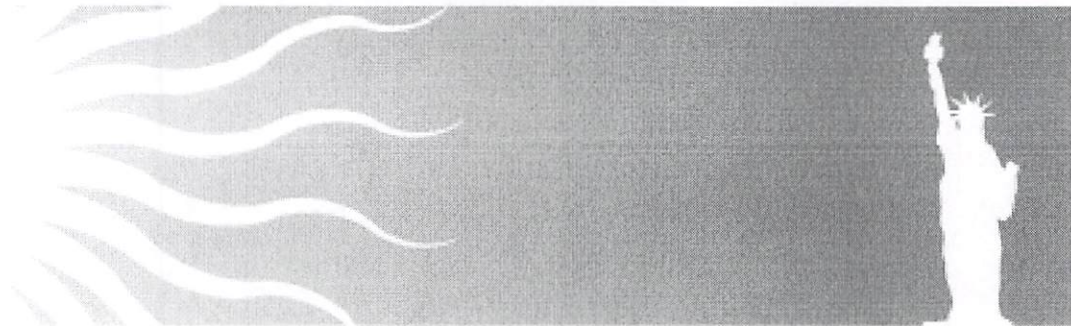
### **Treasurer**

**George Crowley**  
Former CFO Wildcat Services Corporation

### **Esosa Ogbahon**

Principal  
Beginning With Children Charter School

# NEW DAWN CHARTER HIGH SCHOOL



April 24, 2018

Mr. Kyle Brandon  
Project Manager  
New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

Re: New Dawn Charter High School

Dear Mr. Brandon,

This letter supplements our application to Build NYC Resource Corporation for a Triple Tax Exempt Bond financing (the "Project") covering, the premises located at 238-242 Hoyt Street, Brooklyn, New York (the "Project Building").

As you are probably aware, New Dawn Charter High School ("New Dawn") provides over-aged and under-credited high school students, including those who are English Language Learners and those with special needs, the opportunity to obtain a high school diploma through a rigorous NYSED standards-based education program. Our students graduate with a NYSED diploma, meeting all graduation requirements including passing the five content Regents exams (English Language Arts, US History & Government, Global Studies, Science, and Math). Our students (from all five boroughs) have previously dropped out of school or are considered most likely not to graduate in four years. By offering these students the opportunity to graduate from high school, they have the opportunity to break the cycle of poverty that so many find themselves in. To address their social and emotional needs, every student is scheduled for an advisory that has mindfulness and career/college integrated into the curriculum. In addition, New Dawn offers programs such as (i) interventions for those with fewer than 11 credits, (ii) internships in the community and (iii) assistance with college enrollment.

The Project Building is in serious need of major renovations and expansion, as our students need an environment that is conducive to learning. With the use of the Bond financing, we would purchase the Project Building and replace all building systems and renovate the existing floors. As it becomes more difficult for Not-for-Profits such as ours to obtain the requisite funding needed to continue our mission of helping the under-privileged, the ability to obtain financing through the auspices of the agency is desperately needed. The financing is absolutely critical to furthering our mission of providing a quality education to students in need. In the event we do not receive such Bond financing, we would need to consider cutting back on student programs and terminating employees in order to proceed with the purchase of the Project Building and conducting the renovations and expansion described above.

Therefore, for the reasons noted above, New Dawn 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,

Sara Asmussen, Executive Director

**Exhibit R**

Resolution approving the financing of a certain facility for New Dawn Charter High School and authorizing the issuance and sale of approximately \$19,010,000 Revenue Bonds (New Dawn Charter High School Project), Series 2018 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, New Dawn Charter High School, a New York not-for-profit education corporation, authorized as a charter school by the Board of Regents of the University of the State of New York for and on behalf of the New York State Education Department (the “Applicant”), entered into negotiations with officials of the Issuer with respect to financing of the costs of the acquisition, construction, renovation, equipping and furnishing of an approximately 24,000 square-foot building (and approximately 36,000 square feet anticipated after construction/renovation) on an approximately 7,500 square-foot parcel of land located at 238-242 Hoyt Street, Brooklyn, New York (“Facility”), which will be operated by the Applicant as a public charter school for over-aged and under-credited students in grades 9-12 (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 public New York City Transfer High School chartered by the Board of Regents through the New York State Education Department in 2011 and has been operating at the Facility since 2012; that the Applicant has approximately 37 full-time equivalent employees at the Facility; that the financing of the Project costs with the Issuer’s financing assistance will provide savings to the Applicant which will allow it to acquire its leased site, and expand and remain at its current location; and that, therefore, the Issuer’s financing assistance is necessary to assist the Applicant in proceeding with the Project; and

WHEREAS, in order to finance a portion of the cost of the Project, the Issuer intends to issue its Revenue Bonds (New Dawn Charter High School Project), Series 2018 in the aggregate principal amount of approximately \$19,010,000 (or such greater principal amount not to exceed \$20,911,000) (the “Bonds”), as may be determined by a certificate of determination of an authorized officer of the Issuer (the “Certificate of Determination”), all pursuant to an Indenture of Trust (the “Indenture”) to be entered into between the Issuer and The Bank of New York Mellon, as trustee (the “Trustee”); and

WHEREAS, the Issuer intends to loan the proceeds of the Bonds to the Applicant pursuant to a Loan Agreement (the “Loan Agreement”) to be entered into between the Issuer and the Applicant, and the Applicant will execute a promissory note in favor of the Issuer (and endorsed by the Issuer to the Trustee) (the “Promissory Note”) to evidence the Applicant’s obligation under the Loan Agreement to repay such loan; and

WHEREAS, the Bonds are to be secured by: (i) one or more mortgage liens on and security interests in the Facility granted by the Applicant, as mortgagor, to the Issuer and the Trustee, as mortgagees, pursuant to one or more Mortgage and Security Agreements (collectively, the “Mortgage”), which Mortgage will be assigned by the Issuer to the Trustee pursuant to one or more Assignments of Mortgage and Security Agreement from the Issuer to the Trustee (collectively, the “Assignment of Mortgage”); and (ii) revenues of the Applicant pursuant to an Account Control Agreement among the Applicant, the Applicant’s depository bank and the Trustee (the “Account Control Agreement”);

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

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

Section 2. The Issuer hereby approves the Project and authorizes the Applicant to proceed with the Project as set forth herein, which financing will be effected in part through the issuance of the Bonds of the Issuer, which Bonds will be special limited revenue obligations of the Issuer payable solely from the revenues and other amounts derived pursuant to the Loan Agreement and the Promissory Note.

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

The Bonds shall be issued as fully registered bonds in one or more serial and/or term bonds and in an aggregate principal amount not to exceed \$20,911,000, shall be dated as provided in the Indenture, shall be payable as to principal and redemption premium, if any, at the principal office of the Trustee, shall be payable as to interest by check, draft or wire transfer as provided in the Indenture, shall bear interest at annual fixed rates not to exceed seven percent (7.0%) (such final rates to be determined by the Certificate of Determination), shall be subject to optional and mandatory redemption as provided in the Indenture, shall be payable as provided in

the Indenture until the payment in full of the principal amount thereof and shall mature approximately 30 years following their date of issuance (as determined by the Certificate of Determination), all as set forth in the Bonds.

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

Section 4. The Bonds shall be secured by the pledge effected by the Indenture and shall be payable solely from and secured by a pledge of the loan payments, revenues and receipts payable under the Loan Agreement and the Promissory Note to the extent set forth in the Loan Agreement and the Indenture hereinafter authorized. The Bonds, together with the interest thereon, are special limited revenue obligations of the Issuer, payable solely as provided in the Indenture, including from moneys deposited in the Bond Fund, the Project Fund, the Renewal Fund, the Debt Service Reserve Fund, the Repair and Replacement Fund and such other funds as established under the Indenture (subject to disbursements therefrom in accordance with the Loan Agreement and the Indenture), and shall never constitute a debt of the State of New York or of The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the Bonds be payable out of any funds of the Issuer other than those pledged therefor. The payment of the principal of, redemption premium, if any, and interest on the Bonds will be secured pursuant to the Mortgage and the Account Control Agreement.

Section 5. The Bonds may be sold pursuant to a public offering or a private placement, and B.C. Ziegler and Company or other investment bank may serve as the underwriter or placement agent (the "Investment Bank"). The determination as to public offering or private placement, the designation of the Investment Bank, and the purchase price of the Bonds shall be approved by the 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 a Private Placement Memorandum or final Official Statement with respect to the Bonds (the "Final Offering Document"), a Bond Placement Agreement or Bond Purchase Agreement with the Applicant and the Investment Bank, the Indenture, the Loan Agreement, the endorsement of the Promissory Note to the Trustee, the Assignment of Mortgage, a Building Loan Agreement among the Issuer, the Applicant and the Trustee, and a Tax Regulatory Agreement from the Issuer and the Applicant to the Trustee (the documents referenced in this Section 6 being, collectively, the "Issuer Documents"), each being substantially in the form approved by the Issuer for prior financings, are hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Document. The execution and delivery of each such Issuer Document by said officer shall be conclusive evidence of due authorization and approval.

Section 7. The Issuer hereby authorizes the distribution of the Preliminary Offering 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 thereof by the provisions of this Resolution and the Issuer Documents shall be exercised or performed by the Issuer or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

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

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

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

Section 11. Any expenses incurred by the Issuer with respect to the Project and the financing thereof shall be reimbursed out of the proceeds of the Bonds or, in the event such proceeds are insufficient after payment of other costs of the Project or the Bonds are not issued by the Issuer due to inability to consummate the transactions herein contemplated, shall be paid by the Applicant. By accepting this Resolution, the Applicant agrees to pay such expenses and further 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 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. The Issuer, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 NYCRR Part 617. This determination is based upon the Issuer’s review of information provided by the Applicant and such other information as the Issuer has deemed necessary and appropriate to make this determination.

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

1. The Project will not result in a substantial adverse change in existing traffic, air quality, or noise levels. The school population and employees are expected to continue to use public transit to travel to/from the proposed school.

2. The Project would be located within an existing building and would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.

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

4. The Project would not result in a change in existing zoning or land use. The continued school use would be consistent with existing land use in the surrounding neighborhood.

5. The Project would not require any in-ground disturbance during construction and therefore would result in any significant impacts related to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 15. This Resolution is subject to the approval of a private investigative report with respect to the Applicant, which approval shall be conclusively evidenced by the delivery of the Issuer Documents authorized pursuant to Section 6 hereof. The provisions of this Resolution shall continue to be effective until one year from the date hereof, whereupon the effectiveness of this Resolution shall terminate (except with respect to the matters contained in Section 11 hereof) unless (i) prior to the expiration of such year the Issuer shall (x) have issued the Bonds for the Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Applicant shall be continuing to take affirmative steps to secure financing for the Project.

Section 16. This Resolution constitutes “other similar official action” under the provisions of Treasury Regulation 1.103-8(a)(5) promulgated under Section 103 and related sections of the Internal Revenue Code of 1986, as amended (the “Code”). This Resolution is subject to further compliance with the provisions of Sections 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the Project and the Bonds.

Section 17. The Issuer recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Issuer herein. The Issuer hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the Certificate of Determination.

Section 18. This Resolution shall take effect immediately.

ADOPTED: June 12, 2018

NEW DAWN CHARTER HIGH SCHOOL

By: \_\_\_\_\_  
Name:  
Title:

Accepted: June \_\_, 2018

**Exhibit S**

## Project Summary

Xaverian High School is 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 "School"), and The Ryken Educational Center is a not-for-profit corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Organization"; and, together with the School, the "Applicant"), as borrower. The Applicant is seeking approximately \$6,000,000 in tax-exempt revenue bonds to (i) finance or refinance the construction, renovation, equipping and furnishing of improvements to a 125,250 square foot building on an approximately 94,919 square foot parcel of land located at 7100 Shore Road, Brooklyn, New York in the Bay Ridge section of Brooklyn (the "Facility"); (ii) finance capitalized interest; and (iii) pay for certain costs related to issuance of the bonds. The Facility is owned and will be operated by the School as a co-educational school for grade 6 through grade 12, and the Organization operates a New York State approved and funded program for students with specific learning disabilities at the Facility.

## Project Location

7100 Shore Road  
 Brooklyn, New York 11209

## Actions Requested

- Bond Approval and Authorizing Resolution
- Approval of waiver of Section 7 of the Build NYC Resource Corporation Private School Policy
- Adopt a SEQRA determination that the proposed project is a Type II action based upon no significant adverse environmental impacts.

## Anticipated Closing

July 2018

## Impact Summary

Employment	
Jobs at Application:	154
Jobs to be Created at Project Location (Year 3):	21
<b>Total Jobs (full-time equivalents)</b>	<b>175</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$ 35.85</b>
<b>Highest Wage/Lowest Wage</b>	<b>\$ 13.25/117.91</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 30 years at 6.25%)	\$ 12,744,507
One-Time Impact of Renovation	178,487
<b>Total impact</b>	<b>\$ 12,922,994</b>
<b>Additional benefit from jobs to be created</b>	<b>\$ 1,330,739</b>

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$ 97,500
NYC Forgone Income Tax on Bond Interest	41,103
Corporation Financing Fee	\$ (55,000)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$ 83,603</b>

## Xaverian High School & The Ryken Educational Center

Costs of Benefits Per Job		
Estimated Total Cost of Benefits per Jobs in Year 3	\$	478
Estimated City Tax Revenue per Jobs in Year 3	\$	81,450

Estimated Cost of Benefits Requested: New York State		
MRT Benefit	\$	70,500
NYS Forgone Income Tax on Bond Interest		154,640
<b>Total Cost to NYS</b>	<b>\$</b>	<b>225,140</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$</b>	<b>308,743</b>

### Sources and Uses

Sources	Total Amount	Percent of Total Financing
Bond Proceeds	\$6,000,000	94%
Equity	400,000	6%
<b>Total</b>	<b>\$6,400,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Construction Hard Costs	4,900,000	77%
Construction Soft Costs	750,000	12%
Capitalized Interest	250,000	4%
Cost of Issuance	500,000	7%
<b>Total</b>	<b>6,400,000</b>	<b>100%</b>

### Fees

	Paid At Closing	On-Going Fees (NPV, 30 Years)
Corporation Fee	\$ 55,000	
Bond Counsel	90,000	
Annual Corporation Fee	1,000	13,404
Bond Trustee Acceptance Fee	500	
Annual Bond Trustee Fee	500	6,702
Trustee Counsel Fee	5,000	
Total	152,000	20,106
<b>Total Fees</b>	<b>\$ 172,106</b>	

### Financing and Benefits Summary

Bridge Funding Group, Inc. will directly purchase the Bonds, which will have a 30 year maturity and an indicative interest rate of 3.98%. The Bonds will be secured on a parity with the School's existing bonds and will be secured by a lien on all business assets of the School and a first position mortgage on existing properties. Based on an analysis of the School's financial statements, it is expected to have a debt service coverage ratio of 3.84x.

### Applicant Summary

The School was established in 1957 as a private, Catholic college-preparatory school located in Brooklyn, New York. Currently, the Applicant educates over 1,000 students each year.

## **Xaverian High School & The Ryken Educational Center**

The Organization operates a New York State approved and funded program for high school students with specific learning disabilities. The program is dedicated to students with learning needs that require a 12-1-1 ratio in a small class environment that integrates all of the resources of the School with intensive support systems.

In early 2015, the Board of Trustees of the School made a decision to incorporate co-education into the high school commencing with the 2016-2017 academic year. Accordingly, the School sought \$15,000,000 in tax-exempt revenue bonds through Build NYC in 2016 to renovate and equip the Facility to accommodate the incorporation. The class of 2020 will be the first co-educational class to graduate from the School. The current project will allow the Applicant to better serve its students and accommodate continued enrollment growth.

### **Employee Benefits**

The School participates in a defined contribution retirement plan for eligible employees. School employees are members of Laborers' International Union of North America (LIUNA) and participate in a multiyear defined contribution pension plan. The school provides vision, dental, health, and life insurance.

### **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 (currently \$15,308) meet certain financial aid requirements. The School's tuition rates for High School students excluding special needs students enrolled with the Organization is \$14,500, which is below the Tuition Threshold. The estimated per-student funding rate for special needs students enrolled with Organization is \$33,400, which is reimbursed or paid directly by the New York State Department of Education. As a result the Organization does not provide traditional forms of financial aid for special needs students, however all parents receive tuition assistance of aid through the New York State Department of Education. The Corporation's Private School Policy provides that the Board may approve a waiver of Section 7 of the Policy in the case of higher tuition rates for special needs students due to higher expenses to serve such students.

### **SEQRA Determination**

Type II Action which, if implemented, will not potentially result in significant environmental impacts. 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 Applicant and found no derogatory information.

<b>Compliance Check:</b>	Not Applicable
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Coverage Offered
<b>Private School Policy:</b>	Compliant with Sections 1 to 6 and Section 8
<b>Bank Account:</b>	Bank of America
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.
<b>Customer Checks:</b>	Relationships are reported to be satisfactory.

**Xaverian High School & The Ryken Educational Center**

**Unions:** Relationships are reported to be satisfactory.

**Vendex Check:** No derogatory information was found.

**Applicant Contact Person:** Walter Capece  
Xaverian High School  
7100 Shore Road  
Brooklyn, NY 11209

**Attorney:** Alison Radecki  
Orrick, Herrington & Sutcliffe LLP  
52 West 52<sup>nd</sup> Street  
New York, NY 10019

**Accountant:** Thomas Blaney  
PKF O' Connor Davies LLP  
665 5<sup>th</sup> Avenue  
New York, NY 10022

**Consultant:** Kevin Quinn  
Wye River Group  
522 Chesapeake Ave.  
Annapolis, MD 21403

**Community Board:** Brooklyn, CB10

**Board of Directors**

Brother Lawrence Harvey  
William Zucker  
Robert Alesi  
Reverend Michael J.S. Bruno  
Katheleen Sullivan-Coen, Esq.  
Brother Brian Davis  
Honorable Matthew D'Emic  
Steven Galetta, MD  
Neil Hall  
Brian Ingram  
Barbara Ives

Michael J. Kawas  
Philip E. Lian  
Francis Lupo  
James Lynn, Esq.  
Michael MacIntyre  
Cara Macksoud  
Edward McDonald, Esq.  
Michael J. Mennella  
Francis J. Mirabello, Esq.  
Salvatore J. Russo, Esq.  
Michael Strianese





# XAVERIAN

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7100 Shore Road, Brooklyn, New York 11209  
(718) 836-7100 • Fax (718) 836-7114  
www.xaverian.org

April 13, 2018

Build NYC Resource Corporation  
c/o New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

Ladies and Gentlemen:

Established in 1957, Xaverian High School (the "School") is an independent, college-preparatory school that provides educational programs to boys in grades six through twelve and girls in grades six through ten. In early 2015, the Board of Trustees of the School made a decision to implement a multi-year program expansion to include girls in grades nine through twelve. The Class of 2020 will be the first co-educational class to graduate from the School. Currently, the School educates over 1,250 students each year and is one of 13 Xaverian Brothers- sponsored schools nationwide, and fifteen worldwide.

The Ryken Educational Center, Inc. ("Ryken") is a non-profit education corporation operating a New York State approved and funded program for high school students with specific learning disabilities at the School. In order to ensure our future as a school with the resources to offer a truly compelling educational experience to our students, the School and Ryken are focusing on expanding, developing and sustaining our unique programmatic offerings for our students, which includes the implementation of our coeducational program.

The School has a Campus Master Plan (the "Plan") that provides for a series of campus renovations and improvements and the School's transition to a fully co-educational institution. The School has successfully completed Phase 1 of the Plan and is now seeking a loan of approximately \$13,000,000 through the issuance of tax-exempt bonds by Build NYC Resource Corporation so that it can implement Phase 2 of the Plan. Phase 2 includes general classroom and auditorium renovations, electrical upgrades, construction of a bio-medical science laboratory, and locker and equipment acquisitions.

The implementation of Phase 2 of the Plan will allow the School and Ryken to better serve our students and remain competitive with peer schools by expanding the Science, Technology, Engineering and Math programs and accommodating continued enrollment growth.

Sincerely yours,

Walter Capece  
Chief Financial Officer

**Exhibit T**

Resolution approving financing of a facility for Xaverian High School and The Ryken Educational Center and authorizing the issuance and sale of approximately \$6,000,000 of tax-exempt Revenue Bonds (Xaverian High School Project), Series 2018 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 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 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 December 8, 2015, the Issuer adopted a resolution (the “Original Resolution”) authorizing, among other things, the issuance of \$15,000,000, or such greater amount (not to exceed 10% more than the stated amount) of its Revenue Bonds (Xaverian High School Project) (the “Initial Bonds”) for the benefit of Xaverian High 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 “School”), and The Ryken Educational Center, 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 “Organization”; and, together with the School, the “Institution”), in order to finance or refinance: (1) the renovation and equipping of a 125,250 square foot building located at 7100 Shore Road, Brooklyn, New York in the Bay Ridge section of Brooklyn (the “Facility”); (2) a taxable loan in the currently outstanding principal amount of approximately \$576,000, the proceeds of which were used to fund pre-development costs of the Facility; (3) capitalized interest; and (4) the payment of certain costs related to issuance of the Initial Bonds (collectively, the “Original Project”); and

WHEREAS, on May 3, 2016, the Issuer issued the Initial Bonds in the amount of \$15,000,000 in connection with its undertaking of the Original Project; and

WHEREAS, the Facility is owned and operated by the School to serve students in grades 6-12, and the Organization operates a New York State approved and funded program for students with specific learning disabilities at the Facility; and

WHEREAS, the Issuer has now been requested by the Institution to issue an additional series of bonds in order to: (i) finance or refinance the construction, renovation, equipping and furnishing of improvements to the Facility; (ii) finance capitalized interest; and (iii) pay for certain costs related to issuance of the additional bonds (the “2018 Project”); and

WHEREAS, in order to finance a portion of the cost of the 2018 Project, the Issuer intends to issue its Revenue Bonds, Series 2018 (Xaverian High School Project), in one or more series, in the aggregate principal amount of approximately \$6,000,000, or such greater amount (not to exceed 10% more than such stated amount) (the “Additional Bonds”) each as may be determined by a certificate of determination of an authorized officer of the Issuer (the “Certificate of Determination”); 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 May 1, 2016 (the “Original Indenture”), between the Issuer and U.S. Bank National Association, 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 School; and

WHEREAS, (i) the Issuer will loan the proceeds of the Additional Bonds to Institution pursuant to the Loan Agreement, dated as of May 1, 2016 (the “Original Loan Agreement”), between the Issuer and the School, and an Amendment to Loan Agreement, dated a date to be determined (the “Amendment to Loan Agreement”, and, together with the Original Loan Agreement, the “Loan Agreement”), between the Issuer and the School and consented to by the Trustee, and (ii) the School will execute a promissory note in favor of the Issuer and the Trustee (the “Promissory Note”) to evidence the Institution’s obligation under the Loan Agreement to repay such loan; and

WHEREAS, the School’s obligations under the Original Loan Agreement were guaranteed by the Organization pursuant to the Guaranty Agreement, dated as of May 1, 2016 (the “Guaranty”), from the Organization to the Trustee; and

WHEREAS, in connection with the issuance of the Additional Bonds, the Organization will either amend the Guaranty to also guarantee the School’s obligations under the Loan Agreement or will join the School as a borrower under the Loan Agreement in accordance with the Amendment to Loan Agreement; and

WHEREAS, the Institution’s obligations under the Loan Agreement are to be secured by a mortgage lien on and security interest in the Facility, granted by the School, as mortgagor, to the Issuer and the Trustee, pursuant to one or more Mortgages (collectively, the “Mortgage”), which Mortgage will be assigned by the Issuer to the Trustee pursuant to an Assignment of Mortgage and Security Agreement from the Issuer to the Trustee (the “Assignment of Mortgage”), and which Mortgage may be consolidated with the existing Mortgage and Security Agreements executed and delivered in connection with the issuance of the Initial Bonds (the “Existing Mortgages”); and

WHEREAS, the Additional Bonds will be further secured by pledges and security interests in certain assets of the School and the Organization pursuant to separate Pledge and Security Agreements, dated as of May 1, 2016 from each of the School and the Organization to the Trustee (as each such Pledge and Security Agreement may be amended in connection with the issuance of the Additional Bonds, collectively, the “Pledge and Security Agreement”); and

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

Section 1. The Issuer hereby determines that the financing of a portion of the costs of the 2018 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 2018 Project and authorizes the Institution to proceed with the 2018 Project as set forth herein, which 2018 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 Loan Agreement and the Promissory Note.

Section 3. To provide for the financing of the 2018 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 as one or more serial and/or term bonds in an aggregate amount not to exceed \$6,000,000, or such greater amount (not to exceed 10% more than such stated amount), and the Additional 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, 2048 (or as determined by the Certificate of Determination), all as set forth in the Indenture hereinafter authorized.

The provisions for signatures, authentication, payment, delivery, redemption and number of 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 by the Issuer of revenues and receipts of the Issuer, including loan payments made by the School and, as applicable, the Organization, to the extent set forth in the Loan Agreement and Indenture hereinafter authorized. The Loan Agreement will be secured by the Mortgage, which Mortgage will be assigned by the Issuer to the Trustee pursuant to the Assignment of Mortgage and consolidated with the Existing Mortgages. The Additional Bonds will be further secured by the Pledge and Security Agreement and, as applicable, the Guaranty. 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, 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 Additional Bonds be payable out of any funds of the Issuer other than those pledged therefor.

Section 5. The Additional Bonds may be purchased by Bridge Funding Group, Inc. or such other purchaser (the “Purchaser”). The determination as to the Purchaser 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, the Amendment to Loan Agreement, a Tax Regulatory Agreement from the Issuer and the Institution to the Trustee and the Assignment of Mortgage (the documents referenced in this Section 6 being, collectively, the “Issuer Documents”) are hereby authorized. The Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director and General Counsel of the Issuer are hereby authorized to execute, acknowledge and deliver each such Issuer Document. The execution and delivery of each such Issuer Document by said officer shall be conclusive evidence of due authorization and approval.

Section 7. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution and contained in the Issuer Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Issuer and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the members 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 Additional Bonds shall be liable personally on the Additional Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 8. The officers of the Issuer are hereby designated the authorized representatives of the Issuer and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Issuer Documents and the issuance of the Additional Bonds.

Section 9. The Issuer is hereby authorized to cause the Institution to proceed with the 2018 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 Loan Agreement. The Institution is authorized to proceed with the 2018 Project; provided, however, that it is acknowledged and agreed by the Institution 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 Institution for such purpose or for any other purpose.

Section 10. Any expenses incurred by the Issuer with respect to the 2018 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 2018 Project or the Additional Bonds are not issued by the Issuer, shall be paid by the Institution. By accepting this Resolution, the Institution agrees to pay such expenses and further agrees 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 2018 Project and the financing thereof.

Section 11. In connection with the 2018 Project, the Issuer intends to grant the Institution financing assistance in the form of the issuance of the Additional Bonds and exemption of mortgage recording tax.

Section 12. Any qualified costs incurred by the Institution in initiating the 2018 Project shall be reimbursed by the Issuer from the proceeds of the Additional Bonds in accordance with Treasury Regulation Section 1.150-2; provided that the Issuer incurs no liability with respect thereto except as otherwise provided in this Resolution.

Section 13. This Resolution is subject to the approval of a private investigative report with respect to the Institution, 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 date of such year the Issuer shall (x) have issued the Additional Bonds for the 2018 Project, or (y) by subsequent resolution extend the effective period of this Resolution, or (ii) the Institution shall be continuing to take affirmative steps to secure financing for the 2018 Project.

Section 14. This Resolution is subject to further compliance with the provisions of Sections 103 and 141 through 150 and related provisions of the Code, including, without limitation, the obtaining of public approval for the 2018 Project and the Additional Bonds.

Section 15. Pursuant to the State Environmental Quality Review Act, being Article 8 of the New York State Environmental Conservation Law and the implementing regulations, the Issuer has determined that the proposed action is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(2), 'replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building or fire codes...' which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

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 Chairperson, Vice Chairperson, 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 17. This Resolution shall take effect immediately.

ADOPTED: June 12, 2018

XAVERIAN HIGH SCHOOL

---

Name:  
Title:

THE RYKEN EDUCATIONAL CENTER

---

Name:  
Title:

Accepted: \_\_\_\_\_, 2018



**Exhibit U**

## **BUILD NYC RESOURCE CORPORATION GUIDELINES FOR THE FUNDING OF SPECIAL PROJECTS**

### **Introduction**

Build NYC Resource Corporation (the "Corporation"), pursuant to various Board approved agreements between the Corporation and the New York City Economic Development Corporation ("EDC") is committed to fund various projects being performed by EDC related to the City's Economic and Industrial Development ("Project" or "Projects"). The Corporation will consider the criteria below when evaluating future projects seeking Corporation funding. Preference will be given to Projects that satisfy a preponderance of the criteria stated below.

### **Criteria for Projects Seeking Corporation Funding**

1. Whether Projects are aligned with the Corporation's mission of encouraging community and economic development throughout the five boroughs, assisting in the retention of existing jobs, and creating additional jobs by providing lower-cost financing programs to qualified not-for-profit institutions, industrial, and other businesses for their eligible capital projects.
2. A clear thesis describing the need for the Project and how their proposal will address the current issue and/or gap in the market. Theses must be supported by qualitative and quantitative evidence from outside sources.
3. A description of key performance indicators, metrics, and other measurements to be used to evaluate effectiveness. In addition, Projects should demonstrate a plan for gathering and incorporating quantitative and qualitative measurements throughout the Project along with a description of tasks, milestones, and deliverables required to achieve completion.
4. Projects seeking funding must include the following in their proposal:
  - A description of the experience and qualifications of contractors and subcontractors performing work on the Project.
  - A description of additional sources of funding including funding from governmental and/or private entities.
  - A plan for future sustainability beyond initial funding, including a description of funding sources, partnerships, and scalability.

### **Consideration of Budgetary Impact**

The Corporation will consider the impact of Project funding on the Corporation's budget. The Corporation intends to restrict funding of special projects if such spending will reduce the Corporation's unrestricted net assets to less than four times the Corporation's annual operating expenses.