

**BUILD NYC RESOURCE CORPORATION
THIRD AMENDMENT TO PRIVATE SCHOOLS POLICY**

Adopted on March 25, 2025

(Amending original Private Schools Policy adopted on January 12, 2016 and First Amendment adopted on November 17, 2020 and Second Amendment adopted on January 24, 2023)

Build NYC Resource Corporation (the “Corporation”) will consider providing financial assistance, whether in the form of the issuance of bonds or notes or in the form of a mortgage recording tax exemption or in any other form, to a Private School only if all of the criteria below are satisfied. This Third Amendment to Private Schools Policy shall be applicable to all projects for which authorization is sought by the Corporation and transaction closing occurs on or after the date of adoption of this Third Amendment to Private Schools Policy.

Criteria for Private Schools

1. The project proposed by a Private School must:
 - a) create jobs;
 - b) continue or augment services to a needy population;
 - c) promote a purpose that would not be feasible if undertaken on a for-profit basis;
 - d) provide a service that will reduce the City's cost of providing that service, thus promoting efficiency and resulting in cost savings to the City;
 - e) continue or enhance the quality of cultural life in the City; or
 - f) encourage substantial employment and capital investment in geographic areas in which the City seeks to promote economic development.
2. A Private School will not discriminate in admissions, employment matters, the granting of scholarships or loans, the administration of educational policies, the providing of services or otherwise in the administration of its programs and operations on the basis of race, color, national origin, age, sex, religion, gender identity, disability or any other category to the extent protected by federal, State or City law.
3. A Private School must comply with all applicable City and State laws and regulations, including without limitation, education and public health laws and regulations, during the term of Corporation bonds or notes.
4. Private (nonpublic) Schools which provide educational services to students in any of grades 1 through 12, must be incorporated in New York State and (a) receive a Basic Education Data System (BEDS) Code; and (b) demonstrate substantial equivalency of instruction, as required by New York State law, including N.Y. Education Law Section 3204, by using one of the pathways which are set forth in Subchapter F, Part 130, et seq., of the Regulations of the New York State Commissioner of Education Relating to Substantially Equivalent Instruction for Nonpublic School Students, adopted in September 2022, effective September 28, 2022 and any related recommendations/findings issued by the New York City Department of Education as the Local School Authority, described therein.

5. A Private School must provide to the Corporation a written plan that demonstrates an existing or planned commitment to aid the City's public school system and/or community groups through the sharing of its facilities during the term of the Corporation bonds or notes. Corporation staff shall identify appropriate and quantifiable metrics in respect of this requirement. The Private School shall provide annual written reports to the Corporation demonstrating its performance, as measured by such metrics.
6. The Board of Trustees or the Chief Executive Officer of a Private School must designate a full-time staff member to coordinate the community service activities and financial aid to be provided by a Private School pursuant to paragraphs 5 and 7 herein.
7. A Private School whose maximum tuition is greater than the Tuition Threshold (as defined below) must satisfy the following criteria and requirements, unless waived by the Board of Directors of the Corporation for special circumstances (including, without limitation, the situation where the Private School serves special-needs students and incurs higher expenses to serve such students):
 - a. Financial aid equal to at least 12 percent of the Private School's gross tuition revenues must be made available to, and used by, students who are City residents;
 - b. At least 20 percent of students who are both City residents and recipients of financial aid must receive financial aid equal to or greater than 50 percent of tuition;
 - c. At least 10 percent of students who are both City residents and recipients of financial aid must receive financial aid equal to or greater than 75 percent of tuition; and
 - d. The Corporation's financing fee for the project of such Private School shall be equal to the sum of (i) 1.0 percent of the first \$5,000,000 of the bond or note amount and (ii) 0.75 percent of the bond or note amount that is in excess of \$5,000,000.
8. In the project documents entered into with the Corporation in respect of a Private School's project, such Private School must agree to fulfill and comply with the criteria and requirements described in paragraphs 1 through 7 above. In the event of non-compliance by a Private School with any such criteria or requirements, the Private School must cure such non-compliance within the time periods specified in the project documents, provided that the cure period shall not be longer than 2 years after the date of non-compliance. If the Private School does not effect a cure by the applicable deadline, then (a) the Corporation will have the right to exercise its remedies under the project documents and/or (b) the Private School will be required to pay to the Corporation a fee equal to \$2,000 for each event of non-compliance, and thereafter, a fee equal to \$2,000 per year for each year that each such event of non-compliance remains uncured; provided that the Corporation's staff shall have the authority to set significantly higher fees for repeat and/or willful, intentional, reckless or negligent event(s) of non-compliance. The Corporation's staff shall have the authority to make reasonable determinations of what constitutes a single or multiple events of non-compliance.

Definitions of Certain Terms Used in the Third Amendment to Private Schools Policy

“City” means The City of New York.

“Private School” means a private elementary and/or secondary school that provides education for any or all of Kindergarten through Grade 12, but shall not include, for the avoidance of doubt, institutions of higher education, charter schools or preschools.

“State” means the State of New York.

“Tuition Threshold” means, in respect of an academic year, the “per pupil funding” paid by the New York City Department of Education to charter schools for such academic year. For the 2024-2025 academic year, the Tuition Threshold is equal to \$19,044.