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BY MESSENGER

August 15, 2022

The Honorable Adrienne Adams  
Speaker  
New York City Council  
City Hall  
New York, NY 10007

Dear Speaker Adams:

This notice is being submitted to you pursuant to Title 22 of the Administrative Code of the City of New York, Chapter 8, Subchapter 2, §22-822, with respect to the Build New York City Resource Corporation project (the "Project") described below:

1. **Project Description:** East Harlem Center, LLC ("EHC") and East Harlem Scholars HS LLC ("EHS"), each a Delaware limited liability company (EHS together with EHC or any affiliate of EHS or EHC, collectively, "Borrowers"). Each Borrower is a direct or indirect subsidiary of East Harlem Tutorial Program, Inc. ("EHTP"), a New York not-for-profit corporation exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and each Borrower is a disregarded entity of EHTP for federal income tax purposes exempt from federal income taxation pursuant to section 501(c)(3) of the Code. EHTP is under common control with East Harlem Scholars Academy Charter School (the "Charter School"), a New York not-for-profit education corporation exempt from federal income taxation pursuant to section 501(c)(3) of the Code.
2. **Project locations:** 2017 1<sup>st</sup> Avenue, New York, NY 10029 and 2050 2<sup>nd</sup> Avenue, New York, NY 10029
3. **Description of the Project:** As part of a plan of financing, proceeds from the Bonds will be used to: (i) refinance a taxable loan, the proceeds of which were used to fund a portion of the cost of acquiring and constructing a 70,000 square foot building located on a 17,655 square foot parcel of land at 2017 1st Avenue, New York, NY 10029 ("Building One"); (ii) finance additional construction, renovation, equipping and furnishing costs with respect to the completion of Building One; (iii) refinance a taxable loan, the proceeds of which were used to refinance prior indebtedness, the proceeds of which were used to fund the construction and furnishing of a 51,286 square foot building located on a 10,092

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square foot parcel of land at 2050 2nd Avenue, New York, NY 10029 (“Building Two”); (iv) fund debt service reserve fund(s), (v) fund capitalized interest; and (vi) pay for certain costs related to the issuance of the Bonds. Bonds in the aggregate principal amount of \$69,250,000 will be issued with respect to Building One. Bonds in the aggregate principal amount of \$15,750,000 will be issued with respect to Building Two. Building One is owned by EHS and Building Two is owned by EHC. Both Building One and Building Two are being leased to the Charter School, for use of (i) Building One as a public charter high school serving students in Grades 9 through 12 and (ii) Building Two as a public charter elementary and middle school serving students in pre-kindergarten through Grade 8. EHTP is using Building Two, and will use Building One after completion, for after-school tutoring, college preparation, summer programs and similar programs for public school students.

4. **Estimated Project budget:** 93,500,000
5. **Explanation of how City assistance, funding or benefits will be used:** The Borrowers will receive the following financial assistance in order to complete the Project: (i) tax-exempt and taxable bond financing in an amount not to exceed 93,500,000 (ii) and exemption from City and State mortgage recording taxes.

Please contact the undersigned at (212) 312-3806 if you have any questions.

Very truly yours,



Emily Marcus  
Executive Director  
Build NYC Resource Corporation