

**Rochester Joint Schools Construction Board
Resolution 2019-2020: 100**

**Approval of Closing Documents for Issuance of County of Monroe Industrial
Development Agency School Facility Revenue Bonds
(Rochester Schools Modernization Project), Series 2020**

By Member of the Board Michael Schmidt

WHEREAS, the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York (the “State”); and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the County of Monroe Industrial Development Agency (the “Agency”) was established by Chapter 55 of the 1972 Laws of New York, as amended (together with the Enabling Act, the “IDA Act”), for the benefit of the County of Monroe, New York (the “County”) and the inhabitants thereof; and

WHEREAS, many of the public schools of the Rochester City School District (the “District”) are in need of substantial improvement, renovation and reconstruction in order to improve the quality of education in the City of Rochester (the “City”); and

WHEREAS, the Rochester School Facilities Modernization Program Act constituting Chapter 416 of the 2007 Laws New York and Chapter 533 of the 2014 Laws of New York (collectively the “Rochester Schools Act”) established the Rochester Joint Schools Construction Board (“RJSCB”), a seven voting member board consisting of equal representation by the City and the District, as well as a member jointly selected by the City and the District; and

WHEREAS, under the Rochester Schools Act, the RJSCB has certain enumerated powers to act as agent for the District, the City, or both; and

WHEREAS, pursuant to the Rochester Schools Act and a Cooperative Agreement among the District, the RJSCB and the City, executed on February 22, 2010, as amended on August 4, 2016 (the “Cooperative Agreement”), the RJSCB has developed a comprehensive school facilities modernization plan for Phase II (the “Phase II Master Plan”) and the State Comptroller has approved the Phase II Master Plan, all as contemplated by Section 5 of the Rochester Schools Act; and

WHEREAS, the RJSCB has selected the 13 existing school building sites listed below for modernization in the Phase II Master Plan (the “Phase II Existing Site Facilities”):

1. James Monroe High School, 164 Alexander Street;
2. East Upper School and East Lower School, 1801 East Main Street;
3. Edison Technology Campus, 655 Colfax Street;
4. Dr. Freddie Thomas Learning Center, 625 Scio Street;
5. School Without Walls Commencement Academy, 480 Broadway Street;
6. Children's School of Rochester No. 15 (formerly known as Martin B. Anderson School No. 1), 85 Hillside Avenue;
7. Clara Barton School No. 2, 190 Reynolds Street;
8. George Mather Forbes School No. 4, 198 Dr. Samuel McCree Way;
9. Abraham Lincoln School No. 22 (formerly known as Dag Hammarskjold School No. 6), 595 Upper Falls Boulevard;
10. Virgil I. Grissom School No. 7, 31 Bryan Street;
11. Dr. Walter Cooper Academy School No. 10, 353 Congress Avenue;
12. John Walton Spencer School No. 16, 321 Post Avenue;
13. Flower City School No. 54 (formerly known as General Elwell S. Otis School No. 30), 36 Otis Street; and

WHEREAS, in addition to the Phase II Existing Site Facilities, the City and the District have acquired or may acquire additional ancillary real property for purposes of facilitating the modernization of the Phase II Existing Site Facilities pursuant to the Phase II Master Plan and to facilitate their subsequent use as school buildings (such real property, together with the Phase II Existing Site Facilities, the "Phase II Facilities"); and

WHEREAS, the RJSCB has presented the plans and specifications for the modernization and improvement of the Phase II Facilities in accordance with the Phase II Master Plan, including the implementation of the District-wide technology project at such facilities (the "Phase II Project") to the Commissioner of Education of the State (the "Commissioner") for approval as contemplated by Section 6 of the Rochester Schools Act; and

WHEREAS, the Phase II Project collectively constitutes a "project" within the meaning of the IDA Act by reason of Section 16 of the Rochester Schools Act; and

WHEREAS, the RJSCB, exercising its properly authorized powers conferred upon it for such purposes by the Rochester Schools Act, has selected Savin Engineers, P.C. a New York professional corporation, as its independent program manager under Section 10 of the Rochester Schools Act (the "Program Manager") to implement the Phase II Master Plan for the Phase II Project, and the Program Manager and the RJSCB (acting for itself and as agent for the District and the City) have entered into a Program Management Agreement effective as of December 15, 2015, as amended (the "Program Management Agreement"); and

WHEREAS, the RJSCB declared its intent to serve as State Environmental Quality Review Act ("SEQRA") Lead Agency for the Phase II Master Plan on February 8, 2016 (Resolution 2015-16:95), and subsequently confirmed its Lead Agency status on March 7, 2016 (Resolution 2015-16:123); and

WHEREAS, after having reviewed the completed long-form Environmental Assessment Forms for the Phase II Project, the RJSCB formally issued a Negative Declaration to all interested and involved parties on June 20, 2016 (Resolution 2015-16:190); and

WHEREAS, to accomplish the purposes of the IDA Act, the Agency, in response to an application from the RJSCB requesting Agency financing for the Phase II Project, adopted a resolution on December 6, 2016 authorizing the issuance of up to \$435,000,000 of bonds therefor; and

WHEREAS, the Agency previously issued its School Facility Revenue Bonds (Rochester Schools Modernization Project) on behalf of the City, the District and the RJSCB for the Phase I projects authorized under the Rochester Schools Act (the "Phase I Bonds"), pursuant to an Amended and Restated Indenture of Trust (the "Amended and Restated Indenture") dated as of February 1, 2015, between the Agency and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the Agency previously issued its School Facility Revenue Bonds (Rochester Schools Modernization Project), Series 2017 (the "Series 2017 Bonds"), to finance a portion of the costs of the Phase II Project (the "Series 2017 Project"), incidental and related costs therefor and costs of issuance of the Series 2017 Bonds, pursuant to the Amended and Restated Indenture and the Third Supplemental Indenture of Trust, dated as of August 1, 2017, between the Agency and the Trustee; and

WHEREAS, the Agency previously issued its School Facility Revenue Bonds (Rochester Schools Modernization Project), Series 2018 (the "Series 2018 Bonds"), to finance a portion of the costs of the Phase II Project (the "Series 2018 Project"), incidental and related costs therefor and costs of issuance of the Series 2018 Bonds, pursuant to a resolution of the Agency, the Amended and Restated Indenture and the Fourth Supplemental Indenture of Trust (the "Fourth Supplemental Indenture") between the Agency and the Trustee; and

WHEREAS, the Agency will authorize the issuance of the Agency's School Facility Revenue Bonds (Rochester Schools Modernization Project), Series 2020 (the "Series 2020 Bonds"), to finance a portion of the costs of the Phase II Project (the "Series 2020 Project"), incidental and related costs therefor and costs of issuance of the Series 2020 Bonds, pursuant to a resolution of the Agency, the Amended and Restated Indenture and the Fifth Supplemental Indenture of Trust (the "Fifth Supplemental Indenture") between the Agency and the Trustee; and

WHEREAS, the District and the City have leased, pursuant to a ground lease dated as of June 1, 2012, as amended and restated as of August 1, 2017, and which is to be further amended and restated as of May 1, 2020 (the "Amended and Restated Ground Lease"), the Phase II Facilities and certain additional property described in the Amended

and Restated Ground Lease (collectively, the “Ground Lease Facilities”) to the Agency;
and

WHEREAS, the District and the City have subleased the Ground Lease Facilities from the Agency, pursuant to a Sublease Agreement dated June 1, 2012, as amended and restated as of June 1, 2013, February 1, 2015 and August 1, 2017, and which is to be further amended and restated as of May 1, 2020 (the “Amended and Restated Sublease Agreement”); and

WHEREAS, payments to be made by the District under the Amended and Restated Sublease Agreement are expected to be sufficient to pay the principal and interest on the Phase I Bonds, the Series 2017 Bonds, the Series 2018 Bonds and the Series 2020 Bonds (collectively, the “Bonds”); and

WHEREAS, the District and the City have entered into a State Aid Trust Agreement dated as of June 1, 2012, as amended and restated as of February 1, 2015 and August 1, 2017 (the “Amended and Restated State Aid Trust Agreement”), with U.S. Bank National Association, as depository bank (the “Depository Bank”), to provide for, among other things, the payment of all State Aid Revenues (as defined therein) into the State Aid Depository Fund (as defined therein) maintained with the Depository Bank for periodic transfer to the Bond Fund (as defined in the Amended and Restated Indenture) toward payment of the Bonds, and the balance to the General Fund (as defined therein); and

WHEREAS, such State Aid Revenues deposited to the Bond Fund shall be credited against Sublease Payments otherwise payable by the District under the Amended and Restated Sublease Agreement; and

WHEREAS, it is expected that the proceeds of the Series 2020 Bonds will be used to (i) finance costs of the Series 2020 Project, (ii) fund capitalized interest for the Series 2020 Bonds, and (iii) finance costs of issuance of the Series 2020 Bonds; and

WHEREAS, the Series 2020 Bonds will be marketed pursuant to a Preliminary Official Statement and an Official Statement, each containing certain information relating to the Agency, the District, the City and the RJSCB, and will be sold pursuant to a contract of purchase; and

WHEREAS, the respective counsels to the Agency, the City, the District, the RJSCB, Citigroup Global Markets Inc., as representative of the Underwriters (the “Underwriter”), the Depository Bank, and the Trustee, have prepared or reviewed, and/or will prepare or review, the following documents relating to the issuance of the Series 2020 Bonds (and together with all other documents and certificates in connection therewith, the “Transaction Documents”):

1. Fifth Supplemental Indenture between the Agency and the Trustee;

2. Amended and Restated Ground Lease between the Agency, the District and the City;
3. Amended and Restated Sublease Agreement between the Agency, as sublessor, and the City and the District, as sublessees;
4. Amended and Restated Indenture between the Agency and the Trustee;
5. Amended and Restated State Aid Trust Agreement between the District, the City, the Depository Bank and the Trustee;
6. Preliminary Official Statement and an Official Statement of the Agency and the District prepared in connection with the offering of the Series 2020 Bonds;
7. Purchase Contract between the Underwriter, the Agency and the District;
8. Continuing Disclosure Agreement between the District and the Trustee; and

WHEREAS, the Agency is expected to adopt a resolution authorizing the issuance by the Agency of the Series 2020 Bonds, the execution and delivery of the Transaction Documents to which the Agency is a party, and the approval of all other Transaction Documents; and

WHEREAS, the District is expected to adopt a resolution authorizing the issuance by the Agency of the Series 2020 Bonds, the execution and delivery of the Transaction Documents to which the District is a party, and the approval of all other Transaction Documents; and

WHEREAS, the City is expected to adopt a resolution authorizing the issuance by the Agency of the Series 2020 Bonds, the execution and delivery of the Transaction Documents to which the City is a party, and the approval of all other Transaction Documents; and

WHEREAS, the Rochester Schools Act requires the RJSCB and the District to compare the financing available for the Rochester Schools Modernization Project through the Agency with the financing available through the Dormitory Authority of the State of New York ("DASNY") and employ the financing mechanism that will result in the lowest cost to taxpayers of the City and State.

THEREFORE, BE IT RESOLVED:

1. The RJSCB hereby ratifies and confirms that the RJSCB, acting on behalf of the District and the City, has filed an application with the Agency, requesting the Agency to provide financing for the Phase II Project, which includes the Series 2020 Project.

2. In order to finance the costs of the Series 2020 Project, the RJSCB hereby approves the issuance by the Agency of the Series 2020 Bonds in an amount not to exceed \$55,466,081.

3. The RJSCB hereby ratifies and confirms that the RJSCB, acting on behalf of the District and the City, has compared or will compare prior to closing the financing available for the Rochester Schools Modernization Project through the Agency with financing through DASNY and has determined, or will determine prior to closing, that financing through the Agency will result in the lowest cost to the taxpayers of the City and State.

4. The RJSCB acknowledges that the President of the Board of Education of the District and in his absence his appointed designees (individually and collectively, the "District's Authorized Officer"), is expected to be authorized on behalf of the District to approve, execute and deliver documents necessary to facilitate the financing of the Series 2020 Project, including without limitation any Transaction Documents to which the District is a party, draft forms of Transaction Documents which are to be executed by the District's Authorized Officer have been provided to the RJSCB and the final forms of which shall be approved by the Executive Director, Chair, or Vice Chair, all of which are expected to be approved by the Board of Education of the District.

5. The RJSCB acknowledges that (i) pursuant to the Rochester Schools Act and the Cooperative Agreement, the RJSCB will serve as the City's and the District's agent with respect to the Phase II Project, and (ii) pursuant to the Transaction Documents, the RJSCB will serve as an authorized representative of the District with respect to certain obligations and responsibilities of the District in connection with the Phase II Project and the Series 2020 Bonds, as further described in the Transaction Documents.

6. Each of the Chair, Vice Chair, and Executive Director of the RJSCB is hereby authorized on behalf of the RJSCB to enter into such agreements and execute such certificates and documents as may be appropriate to facilitate the issuance of the Series 2020 Bonds.

7. The RJSCB affirms that it will continue to act as SEQRA Lead Agency.

8. Citigroup Global Markets Inc., as representative of the Underwriters, is authorized to utilize information about the RJSCB and the Program Manager in connection with the distribution of the Preliminary Official Statement and final Official Statement with respect to the offering and sale of the Series 2020 Bonds, the forms of which shall be approved by the Executive Director, Chair, or Vice Chair.

9. This Resolution shall take effect immediately.

**Second by Member of the Board Jesse Dudley
Approved 5-0**

Board Meeting: March 9, 2020

I, _____, Treasurer and Finance Committee Chair of the Rochester Joint Schools Construction Board, do hereby certify that I have compared the foregoing with the original resolution passed by the Rochester Joint Schools Construction Board at a legally convened meeting held on the ____ day of March, 2020, on file as part of the minutes of such meeting, and that same is a true copy thereof and the whole of such original. I further certify that the full Rochester Joint Schools Construction Board, consists of seven voting members and one non-voting member and that _____ of the seven such voting members were present at such meeting and that _____ of the voting members in attendance voted in favor of such resolution.

IN WITNESS THEREOF, I have hereunto set my hand on this ____ day of March, 2020.

Rosiland Brooks-Harris
Treasurer and Finance Committee Chair,
Rochester Joint Schools Construction Board