

Resolution 2015-16: 192
Municipal Cooperation Agreement

By Board Member Benincasa

WHEREAS, the Rochester School Facilities Modernization Program Act (“the Act”) established the Rochester Joint Schools Construction Board (“RJSCB”), a seven voting member board consisting of equal representation by the City of Rochester (“City”) and the Rochester City School District (“District”), as well as a member jointly selected by the City and the District; and

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

WHEREAS, the authorizing legislation for Phase 2 of the Rochester Schools Modernization Program (“RSMP”) (the “Phase 2 Legislation”) was signed into law by the Governor of the State of New York on December 17, 2014; and

WHEREAS, the Phase 2 Legislation authorized up to 26 projects in Phase 2 of the RSMP, including a District Wide Technology program which involves technology upgrades and infrastructure work at several of the possible projects; and

WHEREAS, the Phase 2 Legislation states that “the RJSCB may enter into cooperative agreements with the City and the School District to “effect the purposes of this Act”; and

WHEREAS, to avoid a significant delay in the start of phase 2 construction, the RJSCB requested that the District advance certain funds for the RSMP (the “Interim Funding”); and

WHEREAS, in May 2015, the District, the City, and the RJSCB entered into a Municipal Cooperation Agreement for Phase 2 of the RSMP (the “Agreement”) that called for (i) the District to advance approximately \$2.7 million in Interim Funding, (ii) as soon as reasonably possible, the City to issue its general obligation Bond Anticipation Notes (“BAN’s”) to reimburse the District for the Interim Funding and fund approximately \$16 million of additional Phase 2 project expenses, and (iii) the RJSCB to secure permanent financing (the “Phase 2 Bonds”) through either the County of Monroe Industrial Development Agency or the Dormitory Authority of the State of New York (subject to required governmental approvals) to reimburse the City for the BAN’s and fund additional project expenses; and

WHEREAS, the Board of Education (“BOE”) approved the Agreement by Resolution 2014-15: 627, adopted on May 7, 2015; and

WHEREAS, the City Council of the City of Rochester approved the Agreement by Ordinance 2015-121 adopted on May 19, 2015; and

WHEREAS, the RJSCB approved the Agreement by Resolution 2014-15: 231, adopted on May 4, 2015; and

WHEREAS, the City has not yet issued the BAN’s; and

WHEREAS, the RJSCB has asked the District to advance an additional Seven Million Three Hundred Thousand Dollars (\$7,300,000) (the “Additional Interim Funding”) to fund additional Phase 2 project-related expenses related to initial planning, design and construction, which shall be repaid to the District from the proceeds of the BANS or the Phase 2 Bonds; and

WHEREAS, pursuant to BOE Resolution 2015-16: 772, the Board of Education approved an amendment to the Agreement (the “Amended Municipal Cooperation Agreement”), approved the Additional Interim Funding, and asked the City to increase the amount of the BAN’s from \$16,000,000 to \$32,000,000; and

WHEREAS, the City Council of the City of Rochester is expected to adopt an Ordinance approving the Amended Municipal Cooperation Agreement; and

WHEREAS, pursuant to Resolution 2015-16: 189, the RJSCB approved execution of the Amended Municipal Cooperation Agreement, formally requested that the City provide the Additional Funding, and formally requested that the City issue the BAN's; and

WHEREAS, the RJSCB made Resolution 2015-16: 189 contingent upon (a) the Governor signing into law the special legislation related to building aid for Phase 2 projects, (b) New York State Education Department ("SED") Office of Facilities Planning approval of the construction plans and specifications related to the Monroe High School "2a" in Phase 2, and (c) all parties having executed the Amended Municipal Cooperation Agreement;

THEREFORE, BE IT RESOLVED

1. The RJSCB hereby amends Resolution 2015-16: 189 to restate resolution #4 as follows:

"4. The use of BAN proceeds for construction costs shall be contingent upon New York State Education Department ("SED") Office of Facilities Planning approval of the construction plans and specifications related to the Monroe High School "2a" in Phase 2; and"

2. The remainder of Resolution 2015-16: 189 shall remain in full force as effect.

Second by Board Member Brown

Approved 5-0 with Members G. Cruz and W. Williams away