

Date: July 25, 2019

At a meeting of the Town of Hempstead Local Development Corporation, Town of Hempstead, Nassau County, New York (the “**Issuer**”), held at the Town Hall Pavilion, One Washington Street, Hempstead, New York, on the 25th day of July, 2019, the following members of the Issuer were:

Present: Florestano Girardi, Chairman
James G. Marsh, Esq., Vice-Chairman
Rev. Dr. Eric C. Mallette, Secretary
Gerilyn Smith, Treasurer
John A. Ardito, Esq., Member

Recused:

Absent: Jack Majkut, Member

Also Present: Frederick E. Parola, Executive Director and
Chief Executive Officer
Edith M. Longo, Chief Financial Officer
Michael Lodato, Corporate Administrator
Lorraine Rhoads
Arlyn Eames
Laura Tomeo
William F. Weir, Esq., Bond Counsel
John E. Ryan, Esq., Issuer Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the issuance and sale of one or more series of the Issuer’s proposed Revenue Refunding Bonds, Series 2019 (Circulo Real Property Holding Corporation/Evergreen Charter School Project) presently estimated to be approximately \$14,255,000, but not to exceed \$16,0000,000.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

F. Girardi
J. Marsh
E. Mallette
G. Smith
J. Ardito

Voting Nay

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE ISSUER'S REVENUE REFUNDING BONDS, SERIES 2019 (CIRCULO REAL PROPERTY HOLDING CORPORATION/EVERGREEN CHARTER SCHOOL PROJECT), IN THE AGGREGATE PRINCIPAL AMOUNT PRESENTLY ESTIMATED TO BE APPROXIMATELY \$14,255,000, BUT NOT TO EXCEED \$16,000,000 AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, pursuant to the New York Membership Corporation Law as in effect in 1966, as superseded by Section 1411 of the New York Not-For-Profit Corporation Law (collectively the "**Act**"), the Town of Hempstead Local Development Corporation (the "**Issuer**"), was created with the authority and power to issue its revenue bonds for the purpose of, among other things, acquiring certain facilities as authorized by the Act; and

WHEREAS, Circulo Real Property Holding Corporation, a not-for-profit corporation organized and existing under the laws of the State of New York and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), which is exempt from federal income taxation pursuant to Section 501(a) of the Code (the "**Institution**"), has applied to the Issuer to issue its Tax-Exempt Revenue Refunding Bonds, Series 2019A-1 (Circulo Real Property Holding Corporation/Evergreen Charter School Project) (the "**Series 2019A-1 Bonds**"), and its Tax-Exempt Revenue Refunding Bonds, Series 2019A-2 (Circulo Real Property Holding Corporation/Evergreen Charter School Project) (the "**Series 2019A-2 Bonds**"; and, together with the Series 2019A-1 Bonds, the "**Series 2019A Bonds**"), and its Taxable Revenue Refunding Bonds (Circulo Real Property Holding Corporation/Evergreen Charter School Project) (the "**Series 2019B Bonds**"; and together with the Series 2019A Bonds, the "**Series 2019 Bonds**"), in an aggregate principal amount presently estimated to be \$14,255,000 but not to exceed \$16,000,000, to finance or refinance the costs of the Institution including: (A) paying all costs in connection with refunding the outstanding Civic Facility Revenue Bonds, Series 2007 (Circulo de la Hispanidad, Inc. Civic Facility) issued by the Town of Hempstead Industrial Development Agency (the "**IDA**"), with a balance remaining of approximately \$14,000,000 (the "**Series 2007 Bonds**"), for the benefit of Circulo de la Hispanidad, Inc., a not-for-profit corporation, organized and existing under the laws of the State, and an organization described in Section 501(c)(3) of the Code, which is exempt from federal income taxation pursuant to Section 501(a) of the Code (the "**Organization**"), the proceeds of which Series 2007 Bonds were used to finance the costs of (i) the issuance of the Series 2007 Bonds, and (ii) the acquisition of an approximately 0.895 acre parcel of land located at 605 Peninsula Boulevard and the construction and equipping of an approximately 35,000 square foot two-story commercial building located thereon, and an adjacent approximately 0.1147 acre parcel of land located at 134 Linden Avenue, consisting of parking facilities, all located in the Village of Hempstead, Town of Hempstead, Nassau County, New York (collectively, the "**Facility**") (clauses (i) and (ii) are collectively, the "**Series 2007 Project**"), which Facility has been conveyed by the Organization to the Institution and leased by the Institution to Evergreen Charter School, a not-for-profit education corporation, organized and existing under the laws of the State and an organization described in Section 501(c)(3) of the Code, which is exempt from federal income taxation pursuant to Section

501(a) of the Code (the “**School**”), to be used as a charter school serving students in kindergarten through grade 8; (B) fund a debt service reserve fund and a repair and replacement fund; (C) pay certain costs of issuance of the Series 2019 Bonds (subsections (A), (B) and (C) are collectively, the “**Series 2019 Project**”). The Facility will be owned by the Institution, and will initially be operated and/or managed by the School, and the Organization is the sole member of the Institution; and

WHEREAS, the Issuer, by resolution duly adopted on January 24, 2019, took official action under the provisions of the Act to issue the Series 2019 Bonds for the purpose of financing the costs of the Series 2019 Project; and

WHEREAS, the Issuer has proposed to loan the proceeds of the Series 2019 Bonds to the Institution pursuant to the terms of a Loan Agreement (as hereinafter defined), whereby the Institution will be obligated, among other things, to make loan payments to or for the account of the Issuer in amounts and at times so that such loan payments will be adequate to pay the principal of, premium, if any, and interest on the Series 2019 Bonds; and

WHEREAS, the Institution has agreed to indemnify the Issuer against certain losses, claims, expenses, damages and liabilities which may arise in connection with the transactions contemplated by the issuance of the Series 2019 Bonds and the financing of the Series 2019 Project; and

WHEREAS, in compliance with Section 147(f) of the Code, the Issuer, on February 11, 2019, held a public hearing on the issuance of the Series 2019 Bonds following public notice on January 27, 2019; and

WHEREAS, by Certificate of Approval to be executed prior to the issuance of the Series 2019A Bonds, an “applicable elected representative”, being either the Town Supervisor or the Town Board of the Town of Hempstead, Nassau County, New York, as required under Section 147(f) of the Code will have approved the issuance of the Series 2019A Bonds; and

WHEREAS, the Institution has received a commitment from Roosevelt & Cross, Inc., as underwriter (the “**Underwriter**”), to sell the Series 2019 Bonds with one or more purchasers in the total aggregate principal amount presently estimated to be approximately \$14,255,000, but not to exceed \$16,000,000, pursuant to a certain Bond Purchase Agreement, dated a date to be determined (the “**Bond Purchase Agreement**”), by the Underwriter and accepted and agreed to by the Institution and the Issuer, together with a Letter of Representation, dated a date to be determined (the “**Letter of Representation**”), from the Institution, accepted and confirmed by the Issuer and the Underwriter; and

NOW, THEREFORE, BE IT RESOLVED by the Town of Hempstead Local Development Corporation (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Issuer hereby finds and determines:

(a) By virtue of the Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The (i) refinancing of the Series 2007 Bonds, and (ii) lending of the proceeds of the Series 2019 Bonds to the Institution pursuant to the Loan Agreement will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Hempstead and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(c) It approves of the location of the site of the Facility; and

(d) Based upon representations and warranties of the Institution, the Facility conforms with the local zoning laws and planning regulations of the Village of Hempstead, Town of Hempstead and all regional and local land use plans for the area in which the Facility is located; and

(e) The financing of the Facility is reasonably necessary to induce the Institution to maintain and expand its operations within the State of New York; and

(f) The Facility and the operations conducted therein by the Institution will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York or the Town of Hempstead; and

(g) The Facility and the operations conducted therein by the Institution will not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(h) It is desirable and in the public interest for the Issuer to issue and sell the Series 2019 Bonds in the total aggregate principal amount presently estimated to be approximately \$14,255,000, but not to exceed \$16,000,000 upon the terms and conditions set forth in the Bond Purchase Agreement, for the purpose of financing and/or refinancing the Facility, together with necessary incidental expenses and costs of issuance in connection therewith; and

(i) The Indenture of Trust, dated as of July 1, 2019, or such other date as the Chairman, the Executive Director and Chief Executive Officer or the Chief Financial Officer and counsel to the Issuer shall agree (the “**Indenture**”), between the Issuer and UMB Bank, N.A., as trustee (the “**Trustee**”), will be an effective instrument which, among other things, secures the Series 2019 Bonds, assigns to the Trustee certain rights and remedies of the Issuer under the Loan Agreement, and authorizes the Trustee to accept and execute trusts of the character set forth in the Indenture; and

(j) The Loan Agreement, dated as of July 1, 2019, or such other date as the Chairman, the Executive Director and Chief Executive Officer, the Chief Financial Officer and counsel to the Issuer shall agree (the “**Loan Agreement**”), by and between

the Institution and the Issuer, will be an effective instrument whereby the Issuer will loan the proceeds of the Series 2019 Bonds to the Institution; and

(k) The Mortgage and Security Agreement dated as of July 1, 2019 or such other date as the Chairman, Executive Director and Chief Executive Officer, the Chief Financial Officer and counsel to the Issuer shall agree (the “**Mortgage**”), from the Institution to the Issuer shall be an effective instrument whereby the Issuer will secure the loan of the proceeds of the Series 2019 Bonds to the Institution; and

(l) The Assignment of Mortgage and Security Agreement, dated as of the Closing Date (the “**Assignment of Mortgage**”), from the Issuer to the Trustee, will be an effective instrument whereby the Issuer assigns to the Trustee certain of the Issuer’s rights and remedies under the Mortgage; and

(m) The Series 2019A-1 Promissory Note, the Series 2019A-2 Promissory Note and the Series 2019B Promissory Note (collectively, the “**Notes**”), each dated the Closing Date, and each from the Institution to the Issuer and endorsed thereon by the Issuer to the Trustee, will be effective instruments evidencing the Institution’s obligation to make loan payments to the Issuer; and

(n) The Guaranty from the Organization to the Trustee and the Issuer dated as of July 1, 2019, or such other date as the Chairman, Executive Director and Chief Executive Officer, Chief Financial Officer and counsel to the Issuer shall agree (the “**Guaranty**”), will be an effective instrument whereby the Organization will guarantee the Issuer and the Trustee the full and prompt payment when due of the principal of and premium, if any, and interest on the Series 2019 Bonds and the payment and performance of the Institution’s obligations under the Loan Agreement; and

(o) The Tax Regulatory Agreement, dated the Closing Date, by and among the Institution, the School and the Issuer and acknowledged by the Trustee (the “**Tax Regulatory Agreement**”), will be an effective instrument whereby the Institution and the Issuer set forth certain representations, expectations, conditions and covenants establishing compliance with the restrictions imposed by the Code relating to hearings and approval by the Issuer, activities of the Institution and the School, the Series 2019A Bonds, the Series 2019 Project and the application of Bond Proceeds; and

(p) The proposed form of the Limited Offering Memorandum, dated a date to be determined (the “**Limited Offering Memorandum**”), to be distributed by the Underwriter, the Issuer and the Institution in connection with the issuance of the Series 2019 Bonds, contains true and accurate information regarding the ability of the Issuer to issue the Series 2019 Bonds, and the information contained therein regarding the Issuer, the Series 2019 Bonds, the Bond Purchase Agreement, the Indenture, and the Loan Agreement, and such other documents as deemed necessary by the Underwriter is hereby approved; and

(q) Under Section 103(a) and Section 145(a) of the Code and the applicable regulations of the Department of Treasury promulgated thereunder, the interest on an

issue of revenue bonds issued by a local development corporation of a state for certain facilities for use by an institution described in Section 501(c)(3) of the Code is excludable from gross income for federal income tax purposes, subject to the limitations and requirements of the Code.

Section 2. In consequence of the foregoing, the Issuer hereby determines to: (i) issue and sell the Series 2019 Bonds to one or more purchasers, pursuant to and in accordance with the Bond Purchase Agreement, (ii) pay a portion of the costs of issuance for the Series 2019 Bonds to the extent allowable under the Code, (iii) loan the proceeds of the Series 2019 Bonds to the Institution pursuant to the Loan Agreement, which proceeds of the Series 2019 Bonds will be used to refinance the Series 2007 Bonds, (iv) secure the Series 2019 Bonds by vesting certain powers and duties in the Trustee pursuant to the Indenture, and by assigning to the Trustee certain of the Issuer's rights and remedies under the Loan Agreement and the Notes, and (v) file the Information Return for Private Activity Bond Issues, Form 8038 (the "**Information Return**") for the Series 2019A Bonds in the manner and at the places provided in the Code.

Section 3. The Issuer is hereby authorized to loan the proceeds of the Series 2019 Bonds to the Institution pursuant to the terms of the Loan Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Issuer with respect to such loan are hereby approved, ratified and confirmed.

Section 4. The form and substance of the Series 2019 Bonds, the Bond Purchase Agreement, the Indenture, the Loan Agreement, the Limited Offering Memorandum the Tax Regulatory Agreement and the Information Return (each in substantially the form presented to the Issuer and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5. The Issuer is hereby authorized to issue and execute, sell and deliver the Series 2019 Bonds to the Underwriter in the aggregate principal amount presently estimated to be \$14,255,000, but not to exceed \$16,000,000, pursuant to the Act and in accordance with the Bond Purchase Agreement and the Indenture; provided that:

(a) The Series 2019 Bonds shall (i) be issued, executed and delivered at such time as the Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer or the Chief Financial Officer of the Issuer shall determine, and (ii) bear interest at the rates, be subject to redemption prior to maturity, and have such other provisions and be issued in such manner and on such conditions as set forth in the Series 2019 Bonds, the Bond Purchase Agreement and the Indenture, which terms are specifically incorporated herein with the same force and effect as if fully set forth herein.

(b) The Series 2019 Bonds shall be issued solely for the purpose of providing funds to finance and/or refinance, as the case may be, the Costs of the Series 2019 Project and to pay certain costs of issuance, including without limitation the administrative, legal, financial and other expenses of the Issuer incurred in connection with the Series 2019 Project and which are incidental to the issuance of the Series 2019 Bonds.

(c) The Series 2019 Bonds and the interest thereon are not and shall never be a debt of the State of New York or the Town of Hempstead, New York, and neither the State of New York nor Town of Hempstead, New York, shall be liable thereon.

(d) The Series 2019 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from the revenues and receipts derived from the Institution or from the enforcement of the security provided by the Loan Agreement.

(e) Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Series 2019A Bonds or of any other funds which, if such use were reasonably expected on the date of issue of the Series 2019A Bonds, would cause the Series 2019A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or would otherwise cause the interest on the Series 2019A Bonds to be includable in gross income for federal tax purposes.

Section 6.

(a) The Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Chief Financial Officer and all members of the Issuer are hereby authorized, on behalf of the Issuer, to execute and deliver the Bond Purchase Agreement, the Indenture, the Loan Agreement, the Assignment of Mortgage, the Limited Offering Memorandum, the Tax Regulatory Agreement, the Series 2019 Bonds and the Information Return (hereinafter collectively called the "**Financing Documents**"), and, where appropriate, the Secretary or any assistant secretary of the Issuer is hereby authorized to affix the seal of the Issuer to the Series 2019 Bonds, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Chief Financial Officer or any member of the Issuer shall approve. The execution thereof by the Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Chief Financial Officer or any member of the Issuer shall constitute conclusive evidence of such approval.

(b) The Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Chief Financial Officer and all members of the Issuer are further hereby authorized, on behalf of the Issuer, to designate any additional Authorized Representatives of the Issuer (as defined in Schedule A to the Indenture).

(c) The Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Chief Financial Officer are each hereby authorized on behalf of the Issuer to deem the Limited Offering Memorandum final for purposes of Rule 15c-2-12 under the Securities Exchange Act of 1934, as amended, with such changes therein as shall be approved by such officers upon the advice of counsel to the Issuer and Bond Counsel, and such officers shall on behalf of the Issuer authorize and approve the execution, delivery and distribution of the Limited Offering Memorandum in connection with the offer and sale of the Series 2019 Bonds.

Section 7. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Financing Documents binding upon the Issuer.

Section 8.

(a) It is desirable and in the best interest of the Issuer that, in connection with the issuance of the Series 2019 Bonds, the Series 2019 Bonds be qualified or registered for offer in various states authorized by the Issuer and that each of the members, officers, employees and agents of the Issuer be, and they hereby are each, authorized to determine the states in which appropriate action shall be taken to qualify or register for offer all or such part of the Series 2019 Bonds as said members, officers, employees and agents may deem advisable (and any such action taken to date is hereby approved, ratified and confirmed); that each of said members, officers, employees and agents be, and they hereby are each, authorized and directed to take any and all action for and on behalf of the Issuer, in connection with the proposed sale of the Series 2019 Bonds, which they may deem necessary or appropriate to obtain licenses or permits, or register, qualify or notice the Series 2019 Bonds for reoffering and issuance under the securities or Blue Sky laws of such of the various states as each of said members, officers, employees and agents may deem advisable (and any such action taken to date is hereby approved, ratified and confirmed), and in connection with such registrations, licenses, permits, qualifications or notices, to execute and file for and on behalf of the Issuer all such applications, notices, reports, issuer's covenants, resolutions, irrevocable consents to service of process (including appointment of a designated state official to act as agent to receive process), powers of attorney and information, and to take all such further action as any of them may deem necessary or desirable to keep in effect such registrations, licenses, permits, qualifications or notices or to comply with the requirements of any regulatory commission whose approval or notification with respect to the Series 2019 Bonds may be required (and any such action taken to date is hereby approved, ratified and confirmed); and that the execution by such members, officers, employees and agents of the Issuer of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor and the approval by the Issuer of the papers and documents so executed and the action so taken (and any such action taken to date is hereby approved, ratified and confirmed).

(b) The Issuer hereby adopts the form of any resolution required by any state authority to be filed in connection with any application, consent to service of process or other document mentioned in the foregoing resolution if (i) in the opinion of a member, officer, employee or agent of the Issuer the adoption of such a resolution is necessary or advisable, and (ii) the Secretary or Assistant Secretary of the Issuer evidences such adoption by attaching to the minutes of this meeting copies of such resolutions, which will thereupon be deemed to have been adopted by the Issuer with the same force and

effect as if originally attached to the minutes of this meeting (and any such action taken to date is hereby approved, confirmed and ratified).

(c) The Issuer hereby resolves that each of such members, officers, employees and agents be, and they hereby are each, authorized and directed to take any and all action for and on behalf of the Issuer in connection with the proposed issuance and offering of the Series 2019 Bonds which they may deem necessary or appropriate to render the Series 2019 Bonds legal for investment by savings banks, insurance companies, trust funds and any other institutions in such other of the various states as such members, officers, employees or agents may deem advisable (and any such action taken to date is hereby approved, confirmed and ratified).

Section 9. This resolution shall take effect immediately and the Series 2019 Bonds are hereby ordered to be issued in accordance with this resolution.

COUNTY OF NASSAU)