

THE TRUST FOR CULTURAL RESOURCES
OF THE CITY OF NEW YORK

MINUTES OF MEETING
OF THE BOARD OF TRUSTEES

November 9, 2016

A meeting of the Board of Trustees of The Trust for Cultural Resources of The City of New York (the "Trust") was held on November 9, 2016 at the offices of Orrick, Herrington & Sutcliffe, LLP, 51 West 52nd Street, New York, New York.

The following Trustees and the designees for *ex officio* Trustees, constituting a quorum, were present:

Susan Henshaw Jones, Chair
Alice Anne Knapp
Eleonora Bershadskaya, Ms. Glen's designee
Jeffrey Lee, Ms. Torres-Springer's designee
Kristin Sakoda, Mr. Finkelpearl's designee

Ms. Bershadskaya, Ms. Sakoda and Mr. Lee participated by conference telephone, which permitted them to hear and be heard by those present at the meeting. Merryl Tisch was excused. Donald H. Elliott, Secretary of the Trust, was also present.

In addition, the following persons were present:

Lesley Friedman Rosenthal	Lincoln Center for the Performing Arts, Inc.
Robert Cundall	Lincoln Center for the Performing Arts, Inc.
Karen E. Wolfgang-Swanson	Lincoln Center for the Performing Arts, Inc.
Jennifer Wheeler	Nixon Peabody LLP
Kevin Willens	Goldman, Sachs
John Stevenson	Goldman, Sachs
Eileen Heitzler	Orrick Herrington & Sutcliffe, LLP
Alison Radecki	Orrick Herrington & Sutcliffe, LLP
Helen Pennock	Orrick Herrington & Sutcliffe, LLP
Fred D'Ascoli	New York City Economic Development Corporation
Raafat Osman	New York City Economic Development Corporation
Carol Ann Butler	New York City Economic Development Corporation
Anne Adams Rabbino	Assistant Secretary

The meeting was called to order at 11:05 a.m. by Ms. Jones. The Board, acting both as the Finance Committee and as the Board, considered the proposed transaction for the

benefit of Lincoln Center for the Performing Arts, Inc. ("LCPA"). Ms. Rosenthal, general counsel of LCPA, reported that a total of 37 projects had been undertaken as part of a major renovation of a number of portions of the 16-acre campus that LCPA manages. Bonds issued by the Trust for the benefit of LCPA provided \$351 million of the total cost of financing these projects, which was initially envisioned as bridge financing. LCPA has previously repaid \$100 million of the original principal amount.

LCPA is the lead presenter of artistic performances at Lincoln Center when one of the separate constituents of LCPA, such as The Metropolitan Opera, the New York Philharmonic and the Chamber Music Society of Lincoln Center, is not in residence and in genres in which the constituents do not perform. The major theme of the renovation was to increase access to the arts by turning the face of the buildings toward the street and replacing marble with glass. Since the renovation, attendance has been increased from 5 million to 6.5 million visitors annually, 40% of whom come for free programs.

Ms. Rosenthal reported that the board of LCPA operates under a vigorous governance system, with a strong set of committees taking responsibility for various areas of operations. After the departure of the president of LCPA in April, a six-person office of the president was created. A search is underway for a new president.

Mr. Cundall, the chief financial officer of LCPA, joined in August. He reported that on-going performance is very strong. There is a high level of involvement on the part of the board, including in the management of LCPA's debt. The board has determined that it would be appropriate to extend the maturity for ten years with respect to the total of \$100 million of debt that is maturing on December 1, 2016 and December 1, 2018. This decision is tied to the renovation of David Geffen Hall and will enable LCPA to fund its portion of that renovation without issuing new debt. LCPA anticipates that the interest rate savings on the refunded debt will be between \$1 million and \$2 million annually. The remaining tranche of \$151 million will be paid through sinking fund payments between 2025 and 2035.

Mr. Cundall also reported that S&P has continued its rating of A+ with a stable outlook. Moody's has continued its rating of A2 but has changed its outlook to negative. There will be no further review by Moody's for 12 to 18 months, and LCPA hopes to be able to improve its outlook at that time. Moody's rationale for the negative outlook is based on the extension of the maturity of \$100 million and the payment of interest from the proceeds of the capital campaign rather than from the operating budget.

Mr. Cundall noted that LCPA has an endowment of \$230 million. The policy of the board allows a draw of 5% annually, based on a rolling average of the value of the endowment over 20 quarters.

Mr. Willens, on behalf of Goldman, Sachs, the underwriter for the new bonds, informed the board that the Preliminary Official Statement will be posted on November 10, with the expectation that the bonds will be priced on November 16. Goldman is confident that the bonds will be well-received, with a modest impact of around 5 basis points due to the negative outlook from Moody's. He noted that, on the day after the election of Donald

Trump, yields had increased by 10 basis points. Mr. Willens anticipated that no significant hurdles to closing on November 29, in advance of necessity to repay \$60 million of bonds on December 1. The interest rate on the bonds that mature on December 1 is 5.75%, so the interest savings will be substantial.

Ms. Heitzler described the documents to be authorized by the Approving Resolution, which were distributed to the members of the Board in advance of the meeting. Although the Trust will be authorized to issue up to \$108 million, under current market conditions it is expected that the bonds will be premium bonds with a higher stated interest rate than the yield, so the principal amount of the new bonds is expected to be approximately \$91 million. This will be the fourth series of bonds issued under the General Resolution for LCPA, which the Trust adopted in 2008. The Series 2016A Resolution defines the parameters of the bonds that the Trust is now being asked to authorize. The Loan Agreement, which the Trust and LCPA entered into in 2008, sets forth the terms on which the Trust will lend the proceeds of the new bonds to LCPA and LCPA will agree to repay the loan. The Purchase Agreement among the Trust, LCPA and Goldman Sachs, as the underwriter, will be signed when the bonds are priced and sets forth the terms on which Goldman Sachs will purchase the new bonds. The Preliminary Official Statement, which provides financial and other information to potential purchasers of the bonds, is expected to be posted on November 10. The Indemnification Agreement, which is required by the Trust in every transaction and contains the obligation of the borrower to pay all costs and expenses incurred by the Trust in connection with or as a result of the issuance of the bonds, is in the standard form. There will be an escrow agreement that will provide for using a portion of the proceeds of the new bonds to pay interest on and retire the bonds that mature in 2018 at maturity.

The Approving Resolution also authorizes other documents and agreements required in connection with the sale of the bonds, including the final Official Statement, which will be published after the bonds are priced; the Series Certificate, which will contain the financial terms with respect to the bonds; the Tax Agreement and Certificate, which sets forth Ailey's obligations to maintain the tax-exempt status of the bonds; and other documents that, on the advice of counsel, are necessary or appropriate in connection with the issuance of the bonds.

Mr. Elliott reminded the Board that every discretionary decision made by the Board requires an environmental review. However, the bond issue for LCPA will be used to refund the Trust's prior bonds, which is a "Type II" project for purposes of environmental review. This means that no further review is required.

The following resolution was then moved, seconded and unanimously adopted on behalf of the Finance Committee and the Board:

RESOLVED, that the Resolution of The Trust for Cultural Resources of The City of New York Approving Certain Matters In Connection With The Issuance Of Its Revenue Bonds, Series 2016A (Lincoln Center for the Performing Arts, Inc.), be and hereby is approved. (A copy of the foregoing Resolution is attached hereto.)

Ms. Heitzler then referred to the Trust's Revenue Bonds, Series 2015 (China Institute in America). China Institute has agreed to lease its ground floor retail space to the New York City Police Department on terms that China Institute considers very favorable. However, in order to satisfy the terms of the lease, China Institute needs to borrow to pay tenant improvement costs, which will result in an amount of debt that would violate a provision of its agreement with First Republic Bank, the holder of the Trust's bonds. China Institute can solve this problem by redeeming \$4 million of the \$13 million of bonds that are outstanding, which requires authorization by the Trust.

The following resolution was then moved, seconded and unanimously adopted on behalf of the Finance Committee and the Board:

RESOLVED, that the Resolution of The Trust for Cultural Resources of The City of New York Approving Certain Matters In Connection With The Partial Optional Redemption Of Its Revenue Bonds, Series 2015 (China Institute in America), be and hereby is approved. (A copy of the foregoing Resolution is attached hereto.)

Mr. D'Ascoli, Controller of the New York City Economic Development Corporation and Assistant Treasurer of the Trust, made a presentation regarding a solicitation for proposals to provide audit services to the Trust, beginning with the audit for 2016. Periodic solicitation of proposals is a "best practice," and the prior audit firm's contract had been extended several times. Three firms responded to the request for proposals, and all three were interviewed by a selection committee comprised of Spencer Hobson, Rafaat Osman and Mr. D'Ascoli, all from EDC, as well as Mr. Elliott and Ms. Rabbino. The selection committee unanimously recommended RSM US LLP, which is the current name of the audit firm previously known as McGladrey. RSM offered the most extensive experienced staff and reduces the cost to the Trust.

The following resolution was then moved, seconded and unanimously adopted on behalf of the Board:

RESOLVED, that the Trust is authorized to enter into an auditing services contract with RSM US LLP for the fiscal years ending December 31, 2016 through December 31, 2019 for a total contract price of \$268,000, which shall be paid annually at the rate of \$67,000.

Mr. D'Ascoli then presented the Trust's Budget and Financial Plan for the fiscal year ending December 31, 2017 in the format required pursuant to the Public Authorities Law, which is required to be posted in the Public Authorities Reporting Information System ("PARIS"). This format requires projections through the fiscal year ending December 31, 2020. The Budget and Financial Plan was prepared on the basis of the actual numbers found in the audited financial statements for the fiscal year ending December 31, 2015, with projected annual increases of 1% for all items, adjusted to take into account the new contract

with RSM.

The following resolution was then moved, seconded and unanimously adopted:

WHEREAS, The Trust for Cultural Resources of The City of New York, a New York public benefit corporation (the "Trust") is required pursuant to the Public Authorities Accountability Act and related statutes to post in the Public Authorities Reporting Information System ("PARIS") a Budget and Financial Plan (the "PARIS Budget"), showing (a) Actual Receipts and Expenditures for 2015, (b) Current Estimated Receipts and Expenditures for 2016, (c) Receipts and Expenditures Adopted by the Board of Trustees for 2017, and (d) Proposed Receipts and Expenditures for 2018-2020;

WHEREAS, the New York City Economic Development Corporation ("EDC") has prepared the PARIS Budget in the prescribed format;

NOW, THEREFORE, it is hereby

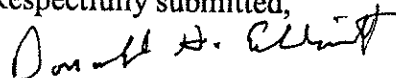
RESOLVED, that the PARIS Budget be, and hereby is, approved, and the posting of the PARIS Budget be, and hereby is, authorized.

The Board then considered the minutes of the meetings of the Trust held on March 24, 2016 and July 13, 2016. The following resolution was then moved, seconded and unanimously adopted:

RESOLVED, that the minutes of the meeting of the Board of Trustees of the Trust held on March 24, 2016 and July 13, 2016, be and hereby are approved.

There being no further business to come before the meeting, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,



Donald H. Elliott
Secretary

**RESOLUTION OF THE TRUST FOR
CULTURAL RESOURCES OF THE CITY OF
NEW YORK APPROVING CERTAIN
MATTERS IN CONNECTION WITH THE
ISSUANCE OF ITS REVENUE BONDS,
SERIES 2016A (LINCOLN CENTER FOR THE
PERFORMING ARTS, INC.)**

WHEREAS, Lincoln Center for the Performing Arts, Inc. (the "Institution") has requested that The Trust for Cultural Resources of The City of New York (the "Trust") issue its Revenue Bonds, Series 2016A (Lincoln Center for the Performing Arts, Inc.) (the "Series 2016A Bonds"), in order to (a) to refund through funding payment upon maturity or to defease (either directly or indirectly through the repayment of a loan), the Trust's Revenue Bonds, Series 2008C (Lincoln Center for the Performing Arts, Inc.) (the "Series 2008C Bonds") which were previously issued to finance a portion of the costs and expenses relating to the construction, renovation, improvement, furnishing and equipping of facilities owned or operated by the Institution or The City of New York, including but not limited to the following components of the projects commonly referred to by the Institution as: (1) "The West 65th Street Project" which includes, but is not limited to, (A) sidewalk, street, and infrastructure modifications, improvements, and upgrades on the north and south side of West 65th Street between Broadway and Amsterdam Avenue, (B) parking garage and concourse improvements, (C) the provision of new, improved and expanded public amenities on or in the immediate vicinity of the elevated North Plaza on the south side of West 65th Street between Broadway and Amsterdam Avenue, and (D) construction, reconstruction, renovation, improvement, furnishing and equipping of buildings located along West 65th Street between Broadway and Amsterdam Avenue, including but not limited to Alice Tully Hall; (2) "The Lincoln Center Promenade Project" which includes, but is not limited to, (A) sidewalk, street, and infrastructure modifications, improvements, and upgrades on the west side of Columbus Avenue between West 65th Street and West 62nd Street and on the northwest corner of Columbus Avenue and West 62nd Street, (B) construction and installation of a concourse-level roadway and pedestrian walkway off of Columbus Avenue between West 65th Street and West 62nd Street, (C) staircase and entrance ramp improvements, (D) security systems upgrades, (E) the provision of new, improved and expanded public amenities located in the vicinity of Josie Robertson Plaza on the west side of Columbus Avenue between West 65th Street and West 62nd Street, and (F) construction, remediation, renovation, and improvement of certain buildings and facilities located in the vicinity of Josie Robertson Plaza; and (3) "The Harmony Atrium Project" which includes, but is not limited to, (A) the provision of new, improved and expanded public amenities located in leased space within the David Rubenstein Atrium (formerly known as the Harmony Atrium) at 61 West 62nd Street, and (B) construction, installation and equipping of a ticket and information kiosk, visitor center and retail sales facilities at such location; and (b) to pay a portion of the administrative, legal, accounting, financing and other expenses incidental to the issuance of the Series 2016A Bonds and related purposes (collectively, the "Project"); and

WHEREAS, the Series 2016A Bonds will be the fourth series of bonds issued under the Trust's Revenue Bond Resolution adopted on April 22, 2008 (the "Revenue Bond Resolution"); and

WHEREAS, there have been presented to the Trust the following documents, in substantially final form, in connection with the issuance of the Series 2016A Bonds: the Series 2016A Resolution of the Trust (the "Series 2016A Resolution"); the Purchase Contract relating to the Series 2016A Bonds (the "Purchase Contract") among Goldman, Sachs & Co. (the "Underwriter"), the Trust and the Institution; the Indemnification Agreement relating to the Series 2016A Bonds between the Trust and the Institution (the "Indemnification Agreement"); and the Preliminary Official Statement relating to the Series 2016A Bonds (the "Official Statement"); and

WHEREAS, the Trust, as lead agency, has determined that the refunding of the Series 2008C Bonds constitutes a refinancing of existing debt and thus is a Type II action under Article 8 of the Environmental Conservation Law (State Environmental Quality Review Act or "SEQRA") and pursuant to Section 617.5(23) of the implementing regulations, and consequently that the Trust has no further responsibilities under SEQRA or the implementing regulations;

NOW, THEREFORE, it is hereby resolved that:

(1) The Trust hereby approves and adopts the Series 2016A Resolution.

(2) The forms, terms and provisions of the Purchase Contract, the Indemnification Agreement and the Preliminary Official Statement (and the final Official Statement (the "Official Statement") in substantially the same form as the Preliminary Official Statement) presented to the Trust, together with such changes, modifications and deletions as may be deemed necessary and appropriate, are hereby approved and authorized in all respects, and the Chair, any other Trustee, the Secretary or any Assistant Secretary, or any of them individually, are hereby authorized and directed to execute and deliver, or approve and accept, as applicable, on behalf of the Trust, the above mentioned documents, in the forms presented to this meeting together with such changes, modifications and deletions as any of them, with the advice of counsel, may deem necessary and appropriate, such execution and delivery to be conclusive evidence of the approval and authorization thereof by the Trust. The Chair, the Secretary and any Assistant Secretary or any other Trustee, or any of them individually, is hereby authorized to approve and execute such changes to the Series 2016A Resolution as may be deemed necessary and appropriate to effectuate the purposes thereof and which will not materially alter the terms and conditions thereof. The use and distribution of the Preliminary Official Statement by the Underwriter are hereby authorized and approved and the use and distribution of a final Official Statement for the Series 2016A Bonds by the Underwriter is hereby authorized and approved.

(3) The holding by the Secretary of the Trust of a public hearing required to be held under Section 147 of the Internal Revenue Code of 1986, as amended, regarding the issuance of the Series 2016A Bonds and the refinancing of the Project is hereby authorized, ratified and approved.

(4) The Chair, the Treasurer, any Assistant Treasurer, the Secretary or any Assistant Secretary or any of them individually are hereby authorized to open any and all bank accounts and money market fund accounts, on behalf of and in the name of the Trust, as any of them deem necessary or desirable in connection with the issuance of the Series 2016A Bonds,

and each of them is authorized to be the sole signatory of the Trust for purposes of making deposits and withdrawals to and from any such bank account.

(5) The Secretary or any Assistant Secretary is hereby authorized to certify, from time to time, (a) the names and titles of the officers of the Trust and (b) that this resolution has been duly adopted and will remain in full force and effect until any banks at which the Chair, the Secretary or any Assistant Secretary has opened accounts pursuant to this resolution have been duly notified.

(6) The execution and filing by the Secretary or any Assistant Secretary of the Trust of applications for U.S. Treasury Obligations – State and Local Government Series and cancellations of existing applications is hereby authorized, ratified and confirmed, if necessary.

(7) The Chair, any other Trustee, the Secretary and the Assistant Secretary, or any of them individually, are further authorized and directed to take such actions and to execute and deliver any such directions, documents, certificates, undertakings, agreements or other instruments as any of them, with the advice of counsel, may deem necessary and appropriate in order to effect the transactions contemplated by the documents presented to this meeting, including, without limitation, the Series 2016A Certificate, the Tax Certificate and the Refunding Escrow Deposit Agreement, and the execution and delivery of directions, instruments, documents, certificates, undertakings and agreements deemed necessary and appropriate to assure that interest on the Series 2016A Bonds is excluded from gross income of the owners thereof for federal income tax purposes.

**RESOLUTION OF THE TRUST FOR CULTURAL
RESOURCES OF THE CITY OF NEW YORK APPROVING
CERTAIN MATTERS IN CONNECTION WITH THE
PARTIAL OPTIONAL REDEMPTION OF ITS REVENUE
BONDS, SERIES 2015 (CHINA INSTITUTE IN AMERICA)**

WHEREAS, The Trust for Cultural Resources of The City of New York (the "Trust") issued its Revenue Bonds, Series 2015 (China Institute in America) (the "Bonds") and lent the proceeds to China Institute in America (the "Institution") to (a) finance a portion of the costs and expenses relating to the construction, renovation, improvement, furnishing and equipping of approximately 26,500 square feet in certain condominium units on the ground and second floors and in the basement of 40 Rector Street, New York, New York, that is expected to include, but not be limited to, (1) offices for staff of the Institution, (2) meeting rooms for activities of the Institution, (3) an art gallery for exhibitions, (4) a library/reading room, (5) a reception area, (6) a large open area for banquets, lectures, film showings, exhibitions and other activities, (7) a bookstore, (8) a coffee shop or tea house, (9) a staircase connecting the condominium units, (10) a preparatory kitchen, and (11) certain ancillary facilities to the foregoing; (b) pay a portion of the interest accruing on the Bonds during the development of the projects described in (a); and to pay certain costs of issuance relating to the Bonds; and

WHEREAS, the Institution has informed the Trust that due to a change in circumstances and in order to meet its financial covenants under its documents, the Institution wishes to optionally redeem a portion of the Bonds using the Bond proceeds that remain in the Development Fund under the Trust's Revenue Bond Resolution (China Institute in America) adopted September 17, 2015; and

WHEREAS, upon the optional redemption of a portion of the Bonds, the amortization of such Bonds as set forth in Exhibit B to the Trust's Series 2015 Certificate, dated as of November 23, 2015 and delivered on November 24, 2015 (the "Series 2015 Certificate") must be recalculated and the Series 2015 Certificate must be amended to include the new amortization schedule as Exhibit B;

NOW, THEREFORE, it is hereby

RESOLVED, that the Chair, any other Trustee and the Secretary or Assistant Secretary, or any of them individually, are hereby authorized and directed to take such actions and to execute and deliver the Amendment to Series 2015 Certificate, and any terminations, certificates or other instruments as any of them, with the advice of counsel, may deem necessary and appropriate in order to effect the partial optional redemption of the Bonds.