

THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

The Trust for Cultural Resources of The City of New York is a public benefit corporation created pursuant to Articles 20 and 21 of the New York Arts and Cultural Affairs Law for the purpose of supporting cultural institutions. The Trust is authorized to issue triple tax-exempt debt for the benefit of certain cultural institutions and to develop, or participate in the development of, “combined-use facilities.” Neither the State of New York nor The City of New York provides any financial support for any bonds issued by the Trust, and all debt issued by the Trust must be repaid by the specific cultural institution for whose benefit the bonds were issued. All funds borrowed by the Trust for the benefit of a cultural institution must be used in compliance with the applicable federal tax rules.

The Trust issued bonds to finance an expansion of The Museum of Modern Art (“MoMA”) in 1980 and 1984. Subsequently, beginning in 1996 and again in 2000 and 2001, the Trust issued bonds to finance various stages of the MoMA’s most recent expansion. The Trust issued bonds in 1985 and in 1999 to finance projects for WNET/Channel 13; in 1985, 1990 and 2002 to finance projects for Carnegie Hall; in 1989 to finance a project for The Museum of Broadcasting; in 1990 to finance a project for The Solomon R. Guggenheim Museum; in 1991, 1997, and 1999 to finance projects for the American Museum of Natural History; in 1992 to finance a project for the Jewish Museum; in 1996 and 2002 to finance projects for the New York Botanical Garden; in 2000 to finance projects for The Asia Society, the Manhattan School of Music and the American Folk Art Museum; in 2001 to finance a project for the International Center of Photography; in 2003 to finance a project for the Alvin Ailey Dance Foundation, Inc.; in 2004 to finance projects for the Morgan Library and Museum and for the Wildlife Conservation Society; and in 2006 to finance projects for Lincoln Center for the Performing

Arts, Inc., WNYC Radio, The Juilliard School, The School of American Ballet, and The Metropolitan Museum of Art. The Trust has also issued bonds for the purpose of refunding various of its prior issues.

In addition to complying with state law requirements for borrowing through the Trust and federal tax law requirements for tax-exempt debt, borrowers from the Trust are generally required to satisfy the credit standards of either a municipal bond insurer or a letter of credit issuer in order to obtain credit enhancement to support the bonds. The Trust is not required to have an interest in real estate owned by the cultural institutions that issue debt through the Trust. For purposes of environmental review, the Trust is a state agency and required to comply with the State Environmental Quality Review Act, or SEQRA. Although there have been exceptions due to the structure of particular issues of debt or the particular situations of cultural institutions, the general rule is that bonds for a total of less than \$20 million are issued through the New York City Industrial Development Agency and larger amounts are issued through the Trust.

The Trust's only combined-use facility was for the benefit of MoMA. After holding a public hearing and making certain findings in accordance with the Trust's enabling legislation, a combined-use facility consisting of an expansion and renovation of MoMA and the Museum Tower was created. The proceeds of the bonds issued by the Trust in 1980 and 1984 were used to finance a portion of MoMA's costs. These bonds are supported in part with "tax equivalency payments" ("TEPs") made by the owners of condominium units in the Museum Tower, which was built above a portion of MoMA using development rights from MoMA's property. The bonds issued by the Trust in 1996, 2000 and 2001 to finance various stages of MoMA's most recent expansion are not supported by TEPs.

The board of trustees of the Trust consists of nine members. Three of the nine members serve *ex officio*: the Deputy Mayor for Economic Development, the Chairperson of the New York City Industrial Development Agency, and the Commissioner of the New York City Department of Cultural Affairs. The six other trustees are appointed by the Mayor. The board of trustees does not hold regularly scheduled meetings, but meets from time to time as necessary to review projects.

Potential borrowers should contact Donald H. Elliott (212-676-3903), Secretary of the Trust, or Anne Adams Rabbino (212-676-3908), Butzel Long, 380 Madison Avenue, New York, NY 10017.

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