



April 17, 2006

Katharine S. Legg
Executive Director

New York City Industrial Development Agency
110 William Street
New York, New York 10038
Attention: Kei Hayashi
Deputy Executive Director

Re: Spence-Chapin Services to Families and Children

Dear Ms. Hayashi:

Spence-Chapin Services to Families and Children ("Spence-Chapin") is a 501(c)(3), service corporation formed in 1911, whose mission is to provide adoption and adoption-related services of the highest quality. Spence-Chapin focuses on finding adoptive homes for infants and young children who need families, promoting the understanding of adoption through counseling and public education, and improving adoption's image and practice.

The Spence-Chapin Adoption Service, the immediate predecessor to Spence-Chapin as it exists today, was formed in 1943 by the merger of two independent nurseries for abandoned infants – the Chapin Nursery and the Spence Alumnae Society. With the merger of those nurseries in 1943, the newly formed Spence-Chapin agency worked with the City of New York to place abandoned children in adoptive houses. Spence-Chapin launched its first international program in South Korea in 1975 and has since expanded its international adoption programs to include China, Russia, Moldova, Kazakhstan, Colombia, Ecuador and Guatemala.

Spence-Chapin is a private, not-for-profit adoption agency, specifically authorized by the states of New York and New Jersey to place children. The agency is a member of the Child Welfare League of American and the Joint Council on International Children's Services. Spence-Chapin maintains accreditation from the Council on Accreditation of Services for Families and Children, Inc.

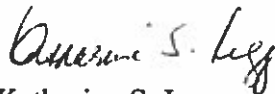
Spence-Chapin has determined that it would be expensive and complicated to renovate its existing headquarters which are housed in a historic townhouse on East 94th St, just off Fifth Avenue. Therefore, the Agency is acquiring more modern office and service space in the same general area as its current headquarters. Toward that end, the agency has located and intends to purchase four commercial condominium

units in space designed to be Community Facility space under a hotel at 410 East 92nd St. The new facility will be fitted out specifically for the agency's needs and will be efficiently designed to include spaces for counseling of adoptive parents-to-be and birth mothers and to provide a play space for toddlers and children.

Spence-Chapin can better utilize its resources to fulfill its mission by selling its existing property and relocating to the new project space. To that end, Spence-Chapin is seeking assistance from the New York City Industrial Development Agency in the form of triple tax-exempt bond financing in order to acquire the condominium units. Spence-Chapin will use its own funds to fit-out the space for its needs, after acquiring the space with financing from the NYCIDA. After the new space is complete, Spence-Chapin will permit a purchaser to take possession of its current space.

Thank you for considering our application. We look forward to working with the Agency to further our mission and improve our services.

Sincerely,



Katharine S. Legg
Executive Director

Core Application – Applicant General Information

The Core Application captures specific and general information about the applicant and the Project. This section begins with a survey of "General Information," followed by a section that describes the Applicant's interest or relationship to the project site. This helps establish eligibility and which benefits will be applied to the project.

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|---|
| Name: Spence-Chapin Services to Families and Children |
| Address: 6 East 94 th Street, New York, NY 10128 |
| Phone Number(s): 212-369-0300 |
| Fax Numbers(s): (212) 369-8589 |
| E-mail Address: finance@spence-chapin.org |
| Website Address: www.spence-chapin.org |
| Applicant EIN Number: [REDACTED] |
| S.I.C. Code: 8322 |
| NAICS Code: [REDACTED] |

Date of Application: _____

1. Applicable Program (please check one):

- Not-for-Profit 501(c)(3) Civic Facility Bond Program
 Pooled Bond Programs

2. Officer of Applicant serving as contact person:

Name: Ms. Emily Sachs Firm: Spence-Chapin Services to Families and Children
Phone # 212-369-0300 Fax#: (212) 369-8589
E-mail Address: finance@spence-chapin.org Address: 6 East 94th Street, New York, NY 10128

3. Attorney of Applicant:

Name: Mr. Steven P. Polivy, Esq. Firm: Stadtmauer Bailkin LLP
Phone # 212-751-8600 Fax#: 212-750-1107
E-mail Address: spolivy@sblplaw.com Address: 850 Third Avenue, New York, NY 10022

4. Accountant of Applicant:

Name: Gary Purwin Firm: Pustorino, Puglisi & Co., LLP
Phone # 212-832-1110 Fax#: 212-755-6748
E-mail Address: purwin@pustorino.com Address: 515 Madison Avenue, New York, NY 10022

5. Other Advisor/Consultant to Applicant (if applicable):

Name: _____ Firm: _____
Phone # _____ Fax#: _____
E-mail Address: _____ Address: _____

6. Applicant is (check one of the following, as applicable):

501(c)(3) Organization Limited Liability Company

Other (specify): _____

7. Applicant's state of incorporation or formation: New York

8. Applicant's date of incorporation or formation: May 1, 1911

9. States in which Applicant is qualified to do business: New York and New Jersey

10. Please provide a brief description of Applicant and nature of its operations:

The mission of Spence-Chapin is to provide adoption and adoption related services of the highest quality. The agency focuses on finding adoptive homes for infants and young children who need families, promoting the understanding of adoption through counseling and public education, and improving adoption's image and practice.

Core Application – Applicant Interest in Project Realty

Please note: An "Affiliate" means any individual, corporation, partnership, joint venture, sole proprietorship, limited liability company, trust or other entity that controls, is controlled by, or is under common control with the Applicant or the "SPE" (defined herein below).

1. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project realty.
- Applicant or an Affiliate is not currently, but expects to be the fee simple owner of the Project realty.
- Applicant or an Affiliate is not the owner of the Project realty, but is the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- Applicant or an Affiliate is not the owner of the Project realty, but expects, immediately following the closing, to be the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- None of the above categories fully describe Applicant and its relation to the Project realty, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

Please note: Please pay particular attention to items 5, 6, and 14 in the Required Documents List (attached), which request additional information specific to the Project realty.

2. If a special-purpose entity ("SPE") that is owned and controlled by the Applicant will own or otherwise control the Project realty, the SPE will be a (check one of the following as applicable):

- 501(c)(3) Organization Limited Liability Company
- Other (specify): _____

| |
|--|
| Name of SPE: |
| Address: |
| Phone Number(s): |
| Contact Person: |
| Title of Contact Person: |
| Affiliation of SPE to Applicant: |
| Owners of SPE and each respective ownership share: |
| SPE EIN Number: |

Please note: If information required above for the SPE is unknown at time of Application submission, then please submit any missing information to the NYCIDA as soon as it becomes available.

3. Give the following information with respect to all present and proposed tenants and sub-tenants at the proposed project site.

Provide information on an additional sheet if space is needed.

| Company Name | Phone | Affiliation with Applicant | SF & Floors (Percent of Occupancy) | Lease Expiration | Tenant Business |
|--------------|-------|----------------------------|------------------------------------|------------------|-----------------|
| none | | | | | |
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Core Application – Project Description and Financial Information

Please complete this section of the Application for each of the Project sites, defined as a facility (perhaps encompassing more than one address and/or block and lot) with either a distinct employment base (as evidenced through D.O.L. reporting) or with a separate and distinguishable source of funding for the acquisition, renovation, or construction of the facility. **If more than one site exists for this Project, please make the requisite number of copies of this section and fill it out for each site.**

| |
|--|
| Site# |
| Borough: Manhattan |
| Neighborhood: Upper East Side |
| Block(s): 1571 |
| Lot(s): 1002, 1003, 1004, 1005 |
| Street address and zip code: 410 East 92 nd Street |
| Zoning: C8-4 |
| Square footage of land: 12,373.24 |
| Square footage of existing building(s): n/a |
| Number of floors: n/a |
| Intended use(s) (e.g., office, retail, etc.): Office and Social Service Programs |

1. Please provide the following Project information:

a. Please provide a brief description of the proposed Project: The IDA project will consist of the acquisition by Spence-Chapin of four commercial condominium units within the 410 East 92nd Street location. Subsequently, they will be fitting out the units as their new headquarters. Planned space includes: staff offices; small rooms for consultations with clients; a large multi-use room to accommodate meetings for educational events, post-adoption workshops and playshops; and specialized space for the baby clinic and pediatrician's office.

b. When does Applicant want Closing to occur (i.e., when does Applicant want the proceeds from the Bonds or other benefits sought to be available for the Project costs)? June 1, 2006

c. Indicate the estimated date for commencement of the Project: n/a

d. Indicate the estimated date for completion of the Project: n/a

e. Is the Project site located in a New York State Empire Zone?

Yes No

If Yes, which zone?

f. Is the project site located in the Federal Empowerment Zone?

Yes No

g. Will the Project require Uniform Land Use Review Procedure ("ULURP") approval?

Yes No

h. Will the Project require any other special permit or approval?

Yes No

If Yes, please explain: Department of Buildings Work Permits for renovation/construction work.

i. Is any governmental entity intended or proposed to be an occupant at the Project site?

Yes No

If Yes, please provide details:

j. Will the Project require a tax lot apportionment or subdivision? (Tax lot apportionment will be required for real estate tax benefits to commence.)

Yes No

If Yes, please provide details: .

2. Please complete the following summary of Project sources and uses:

| Uses of Funds | | Sources of Funds | |
|---|-------------------|------------------------------|-------------------|
| Land acquisition ¹ | | Bonds | 9,875,000 |
| Building acquisition | 10,050,000 | Loan (1) | |
| New construction ² | | Loan (2) | |
| Renovations | | Capital campaign | |
| Fixed tenant improvements | | Affiliate/employee loans | |
| Machinery, equipment and/or furnishings | | Company funds | 725,000 |
| Refinancing of Existing Debt | | Fund balance | |
| Soft costs (define) Closing Costs | 550,000 | Other equity (explain) | |
| Debt Service Reserve Fund | | Other (explain) | |
| Capitalized interest | | Other (explain) | |
| Other (explain) | | Other (explain) | |
| Total Project Uses | 10,600,000 | Total Project Sources | 10,600,000 |

3. Please list where machinery and equipment will be purchased and what percentage of total machinery and equipment relating to the Project this will represent:

New York City Percentage of Total? 100%

New York State (excluding NYC) Percentage of Total? _____

United States (excluding NY State) Percentage of Total? _____

Outside United States Percentage of Total? _____

¹ Please estimate Land and Building acquisition costs separately if possible.

² Please define New Construction on a separate piece of paper.

Core Application – Background Information on Applicant & Applicant's Affiliates

Please note: "Principal" means the following with respect to the Applicant and/or the SPE: all persons (entities or individuals) that control the Applicant and/or the SPE, and/or own more than 10 percent of either; all executive officers; all directors (except that for not-for-profits, "directors" will be limited to the chair and any director who is also an employee); and all members and general partners for, respectively, limited liability companies and partnerships.

Please answer the following questions and, if necessary, include additional information as an attachment:

1. Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?

Yes No If Yes, please provide details on an attached sheet.

Please note: local, state, and federal governmental entities or agencies, public authorities or public benefit corporations, and local development corporations, shall be referred to as "Public Entit(y)(ies)."

2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA?

Yes No If Yes, please provide details on an attached sheet.

3. Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?

Yes No If Yes, please provide details on an attached sheet.

4. Has real property in which Applicant, or Affiliate or Principal, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

Yes No If Yes, please provide details on an attached sheet.

5. Does Applicant, or any Affiliate or Principal, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.

Yes No If Yes, please provide details on an attached sheet.

6. Has the Applicant, or any Affiliate or Principal, failed to file any required tax returns as and when required with appropriate governmental authorities?

Yes No If Yes, please provide details on an attached sheet.

Please answer the following questions relating to the Applicant (if the space provided below is insufficient, please provide complete information on an attached sheet):

7. List major customers:

| Company Name | Address | Contact | Phone | Percent of Revenues |
|--------------|---------|---------|-------|---------------------|
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8. List major Funding Sources:

| Company | Address | Contact | Phone |
|---|---|---|--------------|
| The Starr Foundation | 399 Park Avenue, 17 th floor New York, NY 10022 | Ms. Florence Davis, President | 212-909-3601 |
| New York Community Trust | 909 Third Avenue, 22 nd floor New York, NY 10022 | Ms. Joyce M. Bove, Vice President for Programs & Projects | 212-686-0010 |
| The Wasily Family Foundation | 181 Smithtown Boulevard Nesconset, NY 11767 | Mr. Patrick N. Maloney, Vice President | 631-979-2142 |
| New York State Office of Children and Family Services (Note: First-time State Contract) | Capital View Office Park 52 Washington Street Rensselaer, NY 12144-2796 | Ms. Renee Bradley, Manager | 518-474-9444 |
| Achelis & Bodman Foundations | 767 Third Avenue, 4 th floor New York, NY 10017-2023 | Mr. Joseph S. Dolan, Executive Director | 212-644-0322 |
| Mr. W. O'Neil Foundation | 5454 Wisconsin Avenue, Suite 730 Chevy Chase, MD 20815 | Ms. Helene O'Neil Conn, Vice Chair and Vice President | 301-656-5848 |

9. List unions (if applicable):

| Union Name | Address | Contact | Phone | Contact Expiration |
|------------|---------|---------|-------|--------------------|
| | | | | |
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| | | | | |

10. List Banks:

| Bank Name | Address | Contact | Phone | Type of Account |
|-------------------|---|----------------------|--------------|-----------------|
| HSBC | 45 East 89 th Street New York, NY 10128 | Aretha Thomas Mclean | 212-289-6000 | Deposit |
| State Street Bank | 200 Newport Ave, 7 th floor North Quincy MA 02171 | Robert Belmore | 617-985-9434 | Custodial |
| | | | | |

11. List licensing authorities, if applicable:

| Company Name | Address | Contact | Phone | Percent of Revenues |
|---|---|----------------|--------------|---------------------|
| NYS Office of Children & Family Services | 52 Washington Street Rensselaer, NY 12144-2796 | Charles Carson | 518-474-7112 | |
| State of NJ Dept. of Human Services (DYFS) | P.O. Box 717 Trenton, NJ 08625-0717 | James M. Davey | 609-292-8255 | |
| | | | | |
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Core Application – Request, Certification, etc.

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the NYCIDA Board, in order to obtain from the NYCIDA Board an expression of intent to provide the benefits requested herein for the Project. I understand that this expression of intent will take the form of an inducement resolution to be adopted by the Board.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant.

I certify to the best of my knowledge and belief that all of the information provided in these Application Materials is accurate, true and correct. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Board to reject the request made in the Application Materials.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check; that the NYCIDA may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the NYCIDA does determine that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Mayor; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA may be required to disclose the Application Materials and the information contained therein (see Disclosure Policy and Procedure); and that, Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials, including (in the case of Bonds) but not limited to payment of the New York State bond issuance fees (if applicable to the Bonds in question) based upon the aggregate principal amount of the Bonds.

I further understand and agree as follows:

That in the event the Application Materials are not submitted to the Board for any reason including negative results obtained through the background check, and/or, with respect to Application Materials that are submitted to the Board, in the event the Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the NYCIDA or any other public or governmental entity or public benefit corporation (including the NYCEDC), or any directors, officers, employees or agents of the foregoing (collectively, the "Public Participants"), for the Application Fee, or for other expenses incurred by Applicant or other parties on behalf thereof, or for damages or specific performance; and that the Application Fee is under all circumstances (including but not limited to the ones just described and the ones described in the next succeeding paragraph) non-refundable; and

That if the Board adopts an inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Board will adopt an authorizing resolution, or that the NYCIDA will then provide the induced benefits; and

That Applicant shall indemnify the NYCIDA for fees and disbursements incurred by bond counsel (in the case of a Bond transaction) or by project counsel (in the case of a straight-lease transaction); and that bond counsel or project counsel (as applicable) shall be a third-party beneficiary of this indemnity to the NYCIDA regardless of whether a Closing occurs and if no Closing occurs, regardless of the reason thereafter and regardless of whether a Closing was within or without the control of any of the Public Participants; and

That in the event NYCIDA discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the NYCIDA to make such disclosure and hereby releases the NYCIDA from any claim or action that Applicant may have or might bring against the NYCIDA, its directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the NYCIDA and, if applicable, the NYCEDC and their respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys' fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees, and agents thereof.

I acknowledge and agree that the NYCIDA reserves the right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

This 17 day of April 2006.

Name of Applicant: Spence-Chapin, Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

1. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of goods to customers who personally visit the Project?
 Yes No

2. If the answer to question 1 is "Yes," will the applicant or any other project occupant be a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the "retail sale of tangible personal property" (as defined in Section 1101(b)(4)(i) of the Tax Law)?
 Yes No

3. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of services to customers who personally visit the Project?
 Yes No

4. If the answer to question 1 or question 3 is "Yes," what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?
0 percent

5. If the answer to question 1 or question 3 is "Yes," and the answer to question 4 is more than 33.33 percent, indicate whether any of the following apply to the Project:
 - a. Will a not-for-profit corporation operate the Project?
 Yes No

 - b. Is the Project likely to attract a significant number of visitors from outside New York City?
 Yes No

 - c. Would the Applicant, but for the contemplated financial assistance from the NYCIDA, locate the related jobs outside the State of New York?
 Yes No

 - d. Is the predominant purpose of the Project to make available goods or services that would not, but for the Project, be reasonably accessible to New York City residents because of a lack of reasonably accessible retail trade facilities offering such goods or services?
 Yes No

 - e. Will the Project be located in one of the following: (a) an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) that, according to the most recent census data, has (i) a poverty rate of at least 20 percent for the year to which the data relates, or at least 20 percent of its households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?
 Yes No

6. If the answers to any of subdivisions (c) through (e) of question 5 are "Yes", will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?
 If "Yes", please furnish details in a separate attachment.

7. If the answers to any of subdivisions (a) through (e) of question 5 are "Yes," please furnish details in a separate attachment.

Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Spence-Chapin, Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

Date: April 17, 2016

1. Will the completion of the Project result in the removal of a plant or facility of Applicant, or of a proposed occupant of the Project, from an area in New York State (but outside of New York City) to an area within New York City?

Yes No

If "Yes", please provide the following information:

Address of the to-be-removed plant or facility:

Names of all current occupants of the to-be-removed plant or facility:

2. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of any proposed occupant of the Project, located in an area of New York State other than New York City?

Yes No

If "Yes," please provide the following information:

Addresses of the to-be-abandoned plant(s) or facility(ies):

Names of all current occupants of the to-be-abandoned plants or facilities:

3. Will the completion of the Project in any way cause the removal and/or abandonment of plants and facilities anywhere in New York State (but outside of New York City)?

Yes No

If "Yes," please provide all information relevant to such future removal and/or abandonment.

If the answer to either question 1, 2, or 3, is "Yes," please continue and answer questions 4 and 5.

4. Is the Project reasonably necessary to preserve the competitive position of this Applicant, or of any proposed occupants of the Project, in its industry?

Yes No

5. Is the Project reasonably necessary to discourage the Applicant, or any proposed occupant of the Project, from removing such plant or facility to a location outside New York State?

Yes No

If the answer to question 4 and/or question 5 is "Yes," please provide on a separate sheet of paper a detailed statement explaining same.

Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Spence-Chapin, Services to Families and Children

By: **Printed Name of Signer:** Katharine S. Legg
Title of Signer: Executive Director
Signature: *Katharine S. Legg*
Date: April 17, 2006

Employment Questionnaire

The New York City Industrial Development Agency requires all Applicants to fill out this Employment Questionnaire. As used in this Questionnaire, "Company" means the Applicant; "Project Location" means the project location which Applicant has identified in its Application; and "Tenant" means any person or entity to whom or to which Applicant intends to lease part or all of the Project Location. If Applicant is a real estate holding company that is an affiliate of an operating company and Applicant intends to lease the Project Location to such operating company, then the Applicant and the operating company must fill out separate copies of this Questionnaire.

| |
|---|
| Applicant Name: Spence-Chapin Services to Families and Children |
| Address: 6 East 94 th Street, New York, NY 10128 |
| Phone Number(s): 212-369-0300 |
| I.R.S. Employer ID Number: 13-1834590 |
| Department of Labor Registration Number: |
| Project Location: 410 East 92 nd Street |

1. Do you expect to conduct business at other locations in New York State?

Yes No

2. Expected construction completion date (where applicable): n/a

3. Department of Labor Registration Number of Tenant(s): n/a

Do not include any subcontractors or subconsultants; include only employees and owners/principals on your payroll and on the payroll of Tenant(s).

4. How many employees does Applicant employ in New York City at the time of Application submission?

Full-time: 69 Part-time: 14 (on average, Part-time workers work 25 hours per week)

5. How many employees referred to in question 4 reside in New York City at the time of Application submission?

Full-time: 61 Part-time: 11

6. How many employees does Applicant employ outside of New York City but in New York State at the time of Application submission?

Full-time: 4 Part-time: 1 (on average, Part-time workers work _____ hours per week)

7. How many employees does Applicant employ at the project location (annual average)?

Full-time: 62 Part-time: 12

8. Projected employment at Project Location for the Company on June 30:

| | 1 st Year | 2 nd Year | 3 rd Year | 4 th Year | 5 th Year | 6 th Year | 7 th Year |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Full-time | | 63 | 64 | 64 | 64 | 64 | 64 |
| Part-time | | 13 | 13 | 13 | 13 | 13 | 13 |

9. Projected employment at Project Location for your Tenant(s) on an annual basis:

| | 1 st Year | 2 nd Year | 3 rd Year | 4 th Year | 5 th Year | 6 th Year | 7 th Year |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Full-time | | 0 | 0 | 0 | 0 | 0 | 0 |
| Part-time | | 0 | 0 | 0 | 0 | 0 | 0 |

10. Projected average quarterly wage/salary of employees at project location during first year of operation: \$ 25.

11. Describe the occupational composition of the workforce at the Project Location. Note differences between this composition and what is typical at other NYC locations.

Spence-Chapin has 92 employees: 37 case workers, 34 support staff, 8 retail store employees, 11 managers/executives, and 2 executive officers. At the proposed location there will be 74 employees: 30 case workers, 31 support staff, 11 managers/executives, and 2 executive officers.

12. Does Applicant intend to employ new employees at the Project Location, and/or will Applicant transfer current employees from premises currently being used? Please provide details.

Spence-Chapin intends to retain all of its current employees, as the new headquarters is located only a few blocks from its current location.

Authorization

I authorize any private or governmental entity, including but not limited to the New York State Department of Labor ("DOL"), to release to the NYCIDA and/or to NYCEDC and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under DOL's control that is pertinent to the Company and the Company's employees. In addition, upon the Agency's request, the Company shall provide to the Agency any employment information in the Company's possession that is pertinent to the Company and the Company's employees. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by the Company itself, or any information previously released as provided by all or any of the foregoing parties (collectively, "Employment Information") may be disclosed by the Information Recipients in connection with the administration of the programs of the Agency, and/or NYCEDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and without limiting the foregoing, the Employment Information may be included in (1) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (2) other reports required of the Agency, and (3) any other reports required by law. This authorization shall remain in effect throughout the term of this Lease.

Name of Applicant: Spence-Chapin Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg
Title of Signer: Executive Director
Signature: *Katharine S. Legg*
Date: April 17, 2006

Attach to this Questionnaire your most recent four quarters of the NYS-45 "Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return." Attach additional pages if necessary.

Employment Questionnaire Addendum

In order to comply with recent revisions to Local Law employment reporting requirements, the Applicant is required to complete and sign this Employment Questionnaire Addendum (the "Addendum"). The Applicant shall also submit an updated Employment Questionnaire and Addendum to NYCIDA at the time of the execution and delivery of the Project Agreement (as defined below) if the employment information submitted with the Application is no longer accurate.

Instructions:

The Applicant shall submit with its Application one Employment Questionnaire and Addendum that covers (i) the Applicant and its Affiliates and (ii) Tenants and subtenants of Tenants. Each Tenant must complete a copy of the Employment Questionnaire and Addendum with respect to itself and any of its subtenants and return it to the Applicant (and the Applicant shall retain such reports for a period of not less than six (6) years). Certain capitalized terms used herein and in the Employment Questionnaire are defined below (and the definitions of certain terms defined below shall supersede the definitions of such terms set forth in the Employment Questionnaire).

1. Please provide the total number of employees in each category that will be employed at the Project Location(s) by the Applicant and its Affiliates and any Tenants and subtenants of Tenants on or about the date of the Project Agreement:

| | | | |
|---------------------------------|-----------|------------------------------------|----------|
| Permanent Full-time Employees: | <u>63</u> | Non-Permanent Full-time Employees: | _____ |
| Permanent Part-time Employees: | <u>13</u> | Non-Permanent Part-time Employees: | _____ |
| Full-time Equivalent Employees: | _____ | Contract Employees: | <u>2</u> |

2. With respect to item 8 of the Employment Questionnaire, please include projected employment of the Applicant and its Affiliates.
3. Please estimate the total number of Full-time Equivalent Employees and Contract Employees that will be employed (both retained and created jobs) at the Project Location(s) by the Applicant and its Affiliates and any Tenants and subtenants of Tenants on June 30th of the next seven (7) years following the date hereof:

| | 1 st | 2 nd | 3 rd | 4 th | 5 th | 6 th | 7 th year |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| Full-time Equivalent Employees | 69.5 | 69.5 | 70 | 70 | 70 | 70 | 70 |
| Contract Employees | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

Definitions:

"Affiliate" is (i) a business entity in which more than fifty percent is owned by, or is subject to a power or right of control of, or is managed by, an entity which is a party to a Project Agreement, or (ii) a business entity that owns more than fifty percent of an entity which is a party to a Project Agreement or that exercises a power or right of control of such entity.

"Applicant" includes any entity that will be a party to a Project Agreement.

"Contract Employee" is a person who is an independent contractor (i.e., a person who is not an "employee"), or is employed by an independent contractor (an entity other than the Applicant or its Affiliate, a Tenant or a subtenant of a Tenant), who will provide services at a Project Location.

"Financial Assistance" is any of the following forms of financial assistance received from or at the direction of NYCIDA and/or NYCEDC: a loan, grant, tax benefit and/or energy benefit pursuant to the Business Incentive Rate (BIR) program or New York City Public Utility Service (NYCPUS) program.

"Full-time Employee" is an employee who will work at least 35 hours per week at a Project Location.

"Full-time Equivalent Employee" is two or more Part-time Employees who collectively will work at least 35 hours per week at a Project Location.

"Part-time Employee" is an employee who will work less than 35 hours per week at a Project Location.

"Project Agreement" is any agreement or instrument pursuant to which an entity will receive Financial Assistance from or at the direction of NYCIDA or NYCEDC.

"Project Location" is any location (a) with regard to which Financial Assistance will be provided to the Applicant and/or its Affiliates, or (b) that is or will be occupied by the Applicant and/or its Affiliates at which such entities have employees who will be eligible to be reported per the terms of the Project Agreement with the Applicant and/or its Affiliates.

"Tenant" is a tenant or subtenant (excluding the Applicant and its Affiliates) that will lease or sublease facilities from the Applicant or its Affiliate at any Project Location.

Certification:

I, the undersigned, an authorized officer or principal owner of the Applicant/Affiliate/Tenant, hereby certify to the best of my knowledge and belief, that all information contained in this report is true and complete. This form and information provided pursuant hereto may be disclosed to the New York City Economic Development Corporation ("NYCEDC") and New York City Industrial Development Agency ("NYCIDA") and may be disclosed by NYCEDC and NYCIDA in connection with the administration of the programs of NYCEDC and/or NYCIDA and/or the City of New York; and, without limiting the foregoing, such information may be included in (x) reports prepared by NYCEDC pursuant to New York City Charter Section 1301 et. seq., (y) other reports required of NYCIDA or NYCEDC, and (z) any other reports or disclosure required by law.

Name of Entity: Spence-Chapin, Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

Date: April 17, 2006

NYCIDA Employment and Other Labor Matters Questionnaire

The Applicant and its Affiliates hereinafter will be referred to as the "Companies" or individually as a "Company." If any of the following questions applies to none of these Companies, answer "NONE"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant. When the space provided for an answer is insufficient, provide the answer on a separate sheet of paper and attach that paper to this Questionnaire.

1. List all of the labor union contracts and collective bargaining arrangements to which any of the Companies is currently a party:

None

2. Have any of the Companies during the current calendar year and the five calendar years preceding the current calendar year experienced labor unrest situations, including pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?

Yes

No

If Yes, please explain:

3. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the three calendar years preceding the current calendar year?

Yes

No

If Yes, please describe and explain current status of complaints:

4. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings, labor disputes, strikes or disturbances during the current calendar year and the three calendar years preceding the current calendar year?

Yes

No

If Yes, please explain:

5. Are all employees of the Companies permitted to work in the United States?

Yes

No

If No, please provide details on an attached sheet.

What steps do the Companies take as a matter of course to ascertain their employees' employment status?

I-9 forms are collected and maintained separately from personnel files.

Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

Yes

No

If No, please explain:

6. Has the United States Department of Labor, the New York State Department of Labor, the New York City Office of the Comptroller or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current calendar year or during the three calendar years preceding the current one?

Yes No

If the answer to this question is "Yes," briefly describe the nature of the inspection, the inspecting governmental entity and when the inspection occurred. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon the Company or Companies as a consequence:

7. Has any Company incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?

Yes No

If the answer to this question is "Yes," quantify the liability and briefly describe its nature and refer to any governmental entities that have had regulatory contact with the Company in connection with the liability:

8. Are the practices of any Company now, or have they been at any time during the three calendar years preceding the current calendar year, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?

Yes No

If the answer to this is "Yes," provide details. When answering this question, please consider "discrimination" to include sexual harassment.

Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Spence-Chapin Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: Katharine S. Legg

Date: April 17, 2006

FOR UNLISTED ACTIONS ONLY

Please note: This document is designed to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. It is expected that completion of this Short Environmental Assessment Form will be dependent on the information currently available and will not involve new studies, research or investigation. If information requiring such additional work is unavailable, so indicate and specify each instance.

| | |
|---|--------------------------|
| Name of action: Purchase of commercial condominiums to be used as new headquarters facility | |
| Precise location of action (or show site location on a copy of a Hagstrom or other street map): 410 East 92 nd Street, New York, NY 10128 | |
| Name of Applicant: Spence-Chapin Services for Families and Children | Telephone: 212-369-0300 |
| Address of Applicant: 6 East 94 th Street, New York, NY 10128 | FAX: 212-369-8589 |
| | Contact: Ms. Emily Sachs |
| Name of Owner (if different): Madison 92 nd Street Associates, LLC | Telephone: 212-557-7330 |
| Address of Owner: 551 Fifth Avenue, Suite 1110, New York, NY 10176 | FAX: |
| | Contact: |
| Description of action (please be precise): Spence-Chapin Services for Families and Children intends to acquire four commercial condominium units located at 410 East 92nd Street to be used as a new headquarters facility. | |
| Is Project action: <input type="checkbox"/> New Construction <input type="checkbox"/> Expansion <input checked="" type="checkbox"/> Modification/Alteration | |

Site Description

(Physical setting of overall Project, both developed and undeveloped areas.)

1. Present land use: Urban Industrial Commercial
 Forest Agriculture Residential (suburban)
 Rural (non-farm) Other: _____

2. Describe present land use in vicinity of Project: Commercial and residential buildings.

3. Total acreage of Project area: n/a acres initially; n/a acres ultimately.

4. What is the zoning designation of the Project site: C8-4

5. Will proposed action comply with existing zoning or other existing land use restrictions?

- Yes No

If No, please describe briefly:

Short Environmental Assessment Form Guidelines

6. Does action involve a permit approval, or funding, now or ultimately from any other governmental agency (federal, state or local)?

Yes No

If Yes, please list agency(s) names and permit/approvals:

Building permits for interior renovations and fit-out

7. Does any aspect of the action have a currently valid permit or approval?

Yes No

If Yes, please list agency name and permit/approval:

8. Supplemental project description:

a) Is site currently vacant or developed (if developed, indicate current and previous site uses)?

Developed as a commercial condominium building; previously vacant.

b) Proposed building square footage for any new construction or expansion: n/a

c) Dimensions of any new construction: n/a

d) Number of existing n/a and proposed n/a parking spaces.

e) Number of employees currently 63; number of employees upon completion of the project 63.

9. What are the peak hours (AM and PM) for vehicular trip generation (e.g., 8:00 A.M. - 9:00 A.M.)? M-F 8:30-9:30 A.M. & 5:30-7:30 P.M., Sat 9:30-10:30 A.M. & 2:30-4:30 P.M. NOTE THAT NEARLY ALL INCOMING AND OUTGOING TRAFFIC TO THE PREMISES ARE BY FOOT OR VIA PUBLIC TRANSPORTATION.

What is the maximum number of vehicular trips generated in each of the peak hours (combination of employee, business/visitor trips)?

M-F A.M. 10 trips, M-F P.M. 10 trips, Sat A.M. 20 trips, Sat P.M. 20 trips

10. Will the project produce operating noise audible outside of (i.e., exceeding) local ambient noise levels?

Yes No

11. Is the project located within the New York City designated coastal zone?

Yes No

12. Will the project routinely produce odors noticeable outside of any project buildings for more than one hour per day?

Yes No

13. What wastes will be generated by the project? List amounts of each generated on a daily or monthly basis:

General Office Waste.

14. Is the applicant aware of and/or have any reason to believe there are any hazardous and/or toxic or similar material(s), substance(s) and/or waste(s), including but not limited to petroleum products, present at the site which may pose a health or physical hazard to persons employed at or visiting the site?

Yes No

If Yes, please provide specific information regarding all such material(s), substance(s) and /or waste(s) on a separate piece of paper.

15. Is the applicant aware of and/or have any reason to believe there are any hazardous and/or toxic or similar material(s), substance(s), and/or waste(s), including but not limited to petroleum products, present at properties in the vicinity of the site, which may pose a health or physical hazard to persons employed at or visiting the site?

Yes No

If Yes, please provide specific information regarding all such material(s), substance(s) and /or waste(s) on a separate piece of paper.

16. Is the project site wholly or partially in a state designated tidal or freshwater wetland or the upland buffer area of such a wetland?

Yes No

17. Does the action occur wholly or partially within, or substantially contiguous to any historic building, structure, facility, site or district or prehistoric site that is listed on the national register of historic places or that has been recommended by the New York State Board on Historic Preservation for nomination for inclusion in the National Register, or that is listed on the State Register of Historic Places? For assistance in answering this question, you may wish to call the NYC Landmarks Preservation Commission at (212) 487-6782.

Yes No

Informational Details

Attach any additional information that may be needed to clarify your Project. If there are or could be any adverse environmental impacts with your proposal, please discuss such impacts and the measures you propose to mitigate or avoid them.

Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Spence-Chapin, Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg
Title of Signer: Executive Director
Signature: *Katharine S. Legg*
Date: April 17, 2006

Spence-Chapin, Services for Families and Children

Project Description

The IDA Project will consist of the acquisition by Spence-Chapin of four commercial condominium units within the 410 East 92nd Street location. Subsequently, they will be fitting out the units as their new headquarters. Planned space includes: staff offices; small rooms for consultations with clients; a large multi-use room to accommodate meetings for educational events, post-adoption workshops and playshops; and specialized space for the baby clinic and pediatrician's office.

Employment Questionnaire

The New York City Industrial Development Agency requires all Applicants to fill out this Employment Questionnaire. As used in this Questionnaire, "Company" means the Applicant; "Project Location" means the project location which Applicant has identified in its Application; and "Tenant" means any person or entity to whom or to which Applicant intends to lease part or all of the Project Location. If Applicant is a real estate holding company that is an affiliate of an operating company and Applicant intends to lease the Project Location to such operating company, then the Applicant and the operating company must fill out separate copies of this Questionnaire.

| |
|---|
| Applicant Name: Spence-Chapin Services to Families and Children |
| Address: 6 East 94 th Street, New York, NY 10128 |
| Phone Number(s): 212-369-0300 |
| I.R.S. Employer ID Number: 13-1834590 |
| Department of Labor Registration Number: |
| Project Location: 410 East 92 nd Street |

1. Do you expect to conduct business at other locations in New York State?

Yes No

2. Expected construction completion date (where applicable): n/a

3. Department of Labor Registration Number of Tenant(s): n/a

Do not include any subcontractors or subconsultants; include only employees and owners/principals on your payroll and on the payroll of Tenant(s).

4. How many employees does Applicant employ in New York City at the time of Application submission?

Full-time: 69 Part-time: 14 (on average, Part-time workers work 25 hours per week)

5. How many employees referred to in question 4 reside in New York City at the time of Application submission?

Full-time: 61 Part-time: 11

6. How many employees does Applicant employ outside of New York City but in New York State at the time of Application submission?

Full-time: 4 Part-time: 1 (on average, Part-time workers work _____ hours per week)

7. How many employees does Applicant employ at the project location (annual average)?

Full-time: 62 Part-time: 12

8. Projected employment at Project Location for the Company on June 30:

| | 1 st Year | 2 nd Year | 3 rd Year | 4 th Year | 5 th Year | 6 th Year | 7 th Year |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Full-time | 63 | 64 | 64 | 64 | 64 | 64 | 64 |
| Part-time | 13 | 13 | 13 | 13 | 13 | 13 | 13 |

9. Projected employment at Project Location for your Tenant(s) on an annual basis:

| | 1 st Year | 2 nd Year | 3 rd Year | 4 th Year | 5 th Year | 6 th Year | 7 th Year |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Full-time | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Part-time | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

10. Projected average quarterly wage/salary of employees at project location during first year of operation: \$ 25.

11. Describe the occupational composition of the workforce at the Project Location. Note differences between this composition and what is typical at other NYC locations.

Spence-Chapin has 92 employees: 37 case workers, 34 support staff, 8 retail store employees, 11 managers/executives, and 2 executive officers. At the proposed location there will be 74 employees: 30 case workers, 31 support staff, 11 managers/executives, and 2 executive officers.

12. Does Applicant intend to employ new employees at the Project Location, and/or will Applicant transfer current employees from premises currently being used? Please provide details.

Spence-Chapin intends to retain all of its current employees, as the new headquarters is located only a few blocks from its current location.

Authorization

I authorize any private or governmental entity, including but not limited to the New York State Department of Labor ("DOL"), to release to the NYCIDA and/or to NYCEDC and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under DOL's control that is pertinent to the Company and the Company's employees. In addition, upon the Agency's request, the Company shall provide to the Agency any employment information in the Company's possession that is pertinent to the Company and the Company's employees. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by the Company itself, or any information previously released as provided by all or any of the foregoing parties (collectively, "Employment Information") may be disclosed by the Information Recipients in connection with the administration of the programs of the Agency, and/or NYCEDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and without limiting the foregoing, the Employment Information may be included in (1) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (2) other reports required of the Agency, and (3) any other reports required by law. This authorization shall remain in effect throughout the term of this Lease.

Name of Applicant: Spence-Chapin Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

Date: April 17, 2006

Attach to this Questionnaire your most recent four quarters of the NYS-45 "Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return." Attach additional pages if necessary.

Employment Questionnaire Addendum

In order to comply with recent revisions to Local Law employment reporting requirements, the Applicant is required to complete and sign this Employment Questionnaire Addendum (the "Addendum"). The Applicant shall also submit an updated Employment Questionnaire and Addendum to NYCIDA at the time of the execution and delivery of the Project Agreement (as defined below) if the employment information submitted with the Application is no longer accurate.

Instructions:

The Applicant shall submit with its Application one Employment Questionnaire and Addendum that covers (i) the Applicant and its Affiliates and (ii) Tenants and subtenants of Tenants. Each Tenant must complete a copy of the Employment Questionnaire and Addendum with respect to itself and any of its subtenants and return it to the Applicant (and the Applicant shall retain such reports for a period of not less than six (6) years). Certain capitalized terms used herein and in the Employment Questionnaire are defined below (and the definitions of certain terms defined below shall supersede the definitions of such terms set forth in the Employment Questionnaire).

1. Please provide the total number of employees in each category that will be employed at the Project Location(s) by the Applicant and its Affiliates and any Tenants and subtenants of Tenants on or about the date of the Project Agreement:

| | | | |
|---------------------------------|-----------|------------------------------------|----------|
| Permanent Full-time Employees: | <u>63</u> | Non-Permanent Full-time Employees: | _____ |
| Permanent Part-time Employees: | <u>13</u> | Non-Permanent Part-time Employees: | _____ |
| Full-time Equivalent Employees: | _____ | Contract Employees: | <u>2</u> |

2. With respect to Item 8 of the Employment Questionnaire, please include projected employment of the Applicant and its Affiliates.
3. Please estimate the total number of Full-time Equivalent Employees and Contract Employees that will be employed (both retained and created jobs) at the Project Location(s) by the Applicant and its Affiliates and any Tenants and subtenants of Tenants on June 30th of the next seven (7) years following the date hereof:

| | 1 st | 2 nd | 3 rd | 4 th | 5 th | 6 th | 7 th year |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| Full-time Equivalent Employees | 69.5 | 69.5 | 70 | 70 | 70 | 70 | 70 |
| Contract Employees | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

Definitions:

"Affiliate" is (i) a business entity in which more than fifty percent is owned by, or is subject to a power or right of control of, or is managed by, an entity which is a party to a Project Agreement, or (ii) a business entity that owns more than fifty percent of an entity which is a party to a Project Agreement or that exercises a power or right of control of such entity.

"Applicant" includes any entity that will be a party to a Project Agreement.

"Contract Employee" is a person who is an independent contractor (i.e., a person who is not an "employee"), or is employed by an independent contractor (an entity other than the Applicant or its Affiliate, a Tenant or a subtenant of a Tenant), who will provide services at a Project Location.

"Financial Assistance" is any of the following forms of financial assistance received from or at the direction of NYCIDA and/or NYCEDC: a loan, grant, tax benefit and/or energy benefit pursuant to the Business Incentive Rate (BIR) program or New York City Public Utility Service (NYCPUS) program.

"Full-time Employee" is an employee who will work at least 35 hours per week at a Project Location.

"Full-time Equivalent Employee" is two or more Part-time Employees who collectively will work at least 35 hours per week at a Project Location.

"Part-time Employee" is an employee who will work less than 35 hours per week at a Project Location.

"Project Agreement" is any agreement or instrument pursuant to which an entity will receive Financial Assistance from or at the direction of NYCIDA or NYCEDC.

"Project Location" is any location (a) with regard to which Financial Assistance will be provided to the Applicant and/or its Affiliates, or (b) that is or will be occupied by the Applicant and/or its Affiliates at which such entities have employees who will be eligible to be reported per the terms of the Project Agreement with the Applicant and/or its Affiliates.

"Tenant" is a tenant or subtenant (excluding the Applicant and its Affiliates) that will lease or sublease facilities from the Applicant or its Affiliate at any Project Location.

Certification:

I, the undersigned, an authorized officer or principal owner of the Applicant/Affiliate/Tenant, hereby certify to the best of my knowledge and belief, that all information contained in this report is true and complete. This form and information provided pursuant hereto may be disclosed to the New York City Economic Development Corporation ("NYCEDC") and New York City Industrial Development Agency ("NYCIDA") and may be disclosed by NYCEDC and NYCIDA in connection with the administration of the programs of NYCEDC and/or NYCIDA and/or the City of New York; and, without limiting the foregoing, such information may be included in (x) reports prepared by NYCEDC pursuant to New York City Charter Section 1301 et. seq., (y) other reports required of NYCIDA or NYCEDC, and (z) any other reports or disclosure required by law.

Name of Entity: Spence-Chapin, Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

Date: April 17, 2006

Core Application – Applicant General Information

The Core Application captures specific and general information about the applicant and the Project. This section begins with a survey of "General Information," followed by a section that describes the Applicant's interest or relationship to the project site. This helps establish eligibility and which benefits will be applied to the project.

| |
|---|
| Name: Spence-Chapin Services to Families and Children |
| Address: 6 East 94 th Street, New York, NY 10128 |
| Phone Number(s): 212-369-0300 |
| Fax Numbers(s): (212) 369-8589 |
| E-mail Address: finance@spence-chapin.org |
| Website Address: www.spence-chapin.org |
| Applicant EIN Number: [REDACTED] |
| S.I.C. Code: 8322 |
| NAICS Code: 624110 |

Date of Application: _____

1. Applicable Program (please check one):

- Not-for-Profit 501(c)(3) Civic Facility Bond Program
 Pooled Bond Programs

2. Officer of Applicant serving as contact person:

Name: Ms. Emily Sachs Firm: Spence-Chapin Services to Families and Children
Phone # 212-369-0300 Fax#: (212) 369-8589
E-mail Address: finance@spence-chapin.org Address: 6 East 94th Street, New York, NY 10128

3. Attorney of Applicant:

Name: Mr. Steven P. Polivy, Esq. Firm: Stadtmauer Bailkin LLP
Phone # 212-751-8600 Fax#: 212-750-1107
E-mail Address: spolivy@sblplaw.com Address: 850 Third Avenue, New York, NY 10022

4. Accountant of Applicant:

Name: Gary Purwin Firm: Pustorino, Puglisi & Co., LLP
Phone # 212-832-1110 Fax#: 212-755-6748
E-mail Address: purwin@pustorino.com Address: 515 Madison Avenue, New York, NY 10022

5. Other Advisor/Consultant to Applicant (if applicable):

Name: _____ Firm: _____
Phone # _____ Fax#: _____
E-mail Address: _____ Address: _____

6. Applicant is (check one of the following, as applicable):

501(c)(3) Organization Limited Liability Company

Other (specify): _____

7. Applicant's state of incorporation or formation: New York

8. Applicant's date of incorporation or formation: May 1, 1911

9. States in which Applicant is qualified to do business: New York and New Jersey

10. Please provide a brief description of Applicant and nature of its operations:

The mission of Spence-Chapin is to provide adoption and adoption related services of the highest quality. The agency focuses on finding adoptive homes for infants and young children who need families, promoting the understanding of adoption through counseling and public education, and improving adoption's image and practice.

Core Application – Applicant Interest in Project Realty

Please note: An "Affiliate" means any individual, corporation, partnership, joint venture, sole proprietorship, limited liability company, trust or other entity that controls, is controlled by, or is under common control with the Applicant or the "SPE" (defined herein below).

1. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project realty.
- Applicant or an Affiliate is not currently, but expects to be the fee simple owner of the Project realty.
- Applicant or an Affiliate is not the owner of the Project realty, but is the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- Applicant or an Affiliate is not the owner of the Project realty, but expects, immediately following the closing, to be the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- None of the above categories fully describe Applicant and its relation to the Project realty, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

Please note: Please pay particular attention to items 5, 6, and 14 in the Required Documents List (attached), which request additional information specific to the Project realty.

2. If a special-purpose entity ("SPE") that is owned and controlled by the Applicant will own or otherwise control the Project realty, the SPE will be a (check one of the following as applicable):

- 501(c)(3) Organization Limited Liability Company
- Other (specify): _____

| |
|--|
| Name of SPE: |
| Address: |
| Phone Number(s): |
| Contact Person: |
| Title of Contact Person: |
| Affiliation of SPE to Applicant: |
| Owners of SPE and each respective ownership share: |
| SPE EIN Number: |

Please note: If information required above for the SPE is unknown at time of Application submission, then please submit any missing information to the NYCIDA as soon as it becomes available.

3. Give the following information with respect to all present and proposed tenants and sub-tenants at the proposed project site.
Provide information on an additional sheet if space is needed.

| Company Name | Phone | Affiliation with Applicant | SF & Floors (Percent of Occupancy) | Lease Expiration | Tenant Business |
|--------------|-------|----------------------------|------------------------------------|------------------|-----------------|
| none | | | | | |
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Core Application – Project Description and Financial Information

Please complete this section of the Application for each of the Project sites, defined as a facility (perhaps encompassing more than one address and/or block and lot) with either a distinct employment base (as evidenced through D.O.L. reporting) or with a separate and distinguishable source of funding for the acquisition, renovation, or construction of the facility. If more than one site exists for this Project, please make the requisite number of copies of this section and fill it out for each site.

| |
|--|
| Site# |
| Borough: Manhattan |
| Neighborhood: Upper East Side |
| Block(s): 1571 |
| Lot(s): 1002, 1003, 1004, 1005 |
| Street address and zip code: 410 East 92 nd Street |
| Zoning: C8-4 |
| Square footage of land: 12,373.24 |
| Square footage of existing building(s): n/a |
| Number of floors: n/a |
| Intended use(s) (e.g., office, retail, etc.): Office and Social Service Programs |

1. Please provide the following Project information:

a. Please provide a brief description of the proposed Project: The IDA project will consist of the acquisition by Spence-Chapin of four commercial condominium units within the 410 East 92nd Street location. Subsequently, they will be fitting out the units as their new headquarters. Planned space includes: staff offices; small rooms for consultations with clients; a large multi-use room to accommodate meetings for educational events, post-adoption workshops and playshops; and specialized space for the baby clinic and pediatrician's office.

b. When does Applicant want Closing to occur (i.e., when does Applicant want the proceeds from the Bonds or other benefits sought to be available for the Project costs)? June 1, 2006

c. Indicate the estimated date for commencement of the Project: n/a

d. Indicate the estimated date for completion of the Project: n/a

e. Is the Project site located in a New York State Empire Zone?

Yes No

If Yes, which zone?

f. Is the project site located in the Federal Empowerment Zone?

Yes No

g. Will the Project require Uniform Land Use Review Procedure ("ULURP") approval?

Yes No

h. Will the Project require any other special permit or approval?

Yes No

If Yes, please explain: Department of Buildings Work Permits for renovation/construction work.

i. Is any governmental entity intended or proposed to be an occupant at the Project site?

Yes No

If Yes, please provide details:

j. Will the Project require a tax lot apportionment or subdivision? (Tax lot apportionment will be required for real estate tax benefits to commence.)

Yes No

If Yes, please provide details: .

2. Please complete the following summary of Project sources and uses:

| Uses of Funds | | Sources of Funds | |
|---|-------------------|------------------------------|-------------------|
| Land acquisition ¹ | | Bonds | 9,875,000 |
| Building acquisition | 10,050,000 | Loan (1) | |
| New construction ² | | Loan (2) | |
| Renovations | | Capital campaign | |
| Fixed tenant improvements | | Affiliate/employee loans | |
| Machinery, equipment and/or furnishings | | Company funds | 725,000 |
| Refinancing of Existing Debt | | Fund balance | |
| Soft costs (define) Closing Costs | 550,000 | Other equity (explain) | |
| Debt Service Reserve Fund | | Other (explain) | |
| Capitalized interest | | Other (explain) | |
| Other (explain) | | Other (explain) | |
| Total Project Uses | 10,600,000 | Total Project Sources | 10,600,000 |

3. Please list where machinery and equipment will be purchased and what percentage of total machinery and equipment relating to the Project this will represent:

New York City Percentage of Total? 100%

New York State (excluding NYC) Percentage of Total? _____

United States (excluding NY State) Percentage of Total? _____

Outside United States Percentage of Total? _____

¹ Please estimate Land and Building acquisition costs separately if possible.

² Please define New Construction on a separate piece of paper.

Core Application – Background Information on Applicant & Applicant’s Affiliates

Please note: “Principal” means the following with respect to the Applicant and/or the SPE: all persons (entities or individuals) that control the Applicant and/or the SPE, and/or own more than 10 percent of either; all executive officers; all directors (except that for not-for-profits, “directors” will be limited to the chair and any director who is also an employee); and all members and general partners for, respectively, limited liability companies and partnerships.

Please answer the following questions and, if necessary, include additional information as an attachment:

1. Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?

Yes No If Yes, please provide details on an attached sheet.

Please note: local, state, and federal governmental entities or agencies, public authorities or public benefit corporations, and local development corporations, shall be referred to as “Public Entit(y)(ies).”

2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA?

Yes No If Yes, please provide details on an attached sheet.

3. Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?

Yes No If Yes, please provide details on an attached sheet.

4. Has real property in which Applicant, or Affiliate or Principal, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

Yes No If Yes, please provide details on an attached sheet.

5. Does Applicant, or any Affiliate or Principal, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.

Yes No If Yes, please provide details on an attached sheet.

6. Has the Applicant, or any Affiliate or Principal, failed to file any required tax returns as and when required with appropriate governmental authorities?

Yes No If Yes, please provide details on an attached sheet.

Please answer the following questions relating to the Applicant (if the space provided below is insufficient, please provide complete information on an attached sheet):

7. List major customers:

| Company Name | Address | Contact | Phone | Percent of Revenues |
|--------------|---------|---------|-------|---------------------|
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8. List major Funding Sources:

| Company | Address | Contact | Phone |
|---|---|---|--------------|
| The Starr Foundation | 399 Park Avenue, 17 th floor New York, NY 10022 | Ms. Florence Davis, President | 212-909-3601 |
| New York Community Trust | 909 Third Avenue, 22 nd floor New York, NY 10022 | Ms. Joyce M. Bove, Vice President for Programs & Projects | 212-686-0010 |
| The Wasily Family Foundation | 181 Smithtown Boulevard Nesconset, NY 11767 | Mr. Patrick N. Maloney, Vice President | 631-979-2142 |
| New York State Office of Children and Family Services (Note: First-time State Contract) | Capital View Office Park 52 Washington Street Rensselaer, NY 12144-2796 | Ms. Renee Bradley, Manager | 518-474-9444 |
| Achelis & Bodman Foundations | 767 Third Avenue, 4 th floor New York, NY 10017-2023 | Mr. Joseph S. Dolan, Executive Director | 212-644-0322 |
| Mr. W. O'Neil Foundation | 5454 Wisconsin Avenue, Suite 730 Chevy Chase, MD 20815 | Ms. Helene O'Neil Conn, Vice Chair and Vice President | 301-656-5848 |

9. List unions (if applicable):

| Union Name | Address | Contact | Phone | Contact Expiration |
|------------|---------|---------|-------|--------------------|
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10. List Banks:

| Bank Name | Address | Contact | Phone | Type of Account |
|-------------------|---|----------------------|--------------|-----------------|
| HSBC | 45 East 89 th Street New York, NY 10128 | Aretha Thomas Mclean | 212-289-6000 | Deposit |
| State Street Bank | 200 Newport Ave, 7 th floor North Quincy MA 02171 | Robert Belmore | 617-985-9434 | Custodial |
| | | | | |

11. List licensing authorities, if applicable:

| Company Name | Address | Contact | Phone | Percent of Revenues |
|---|---|----------------|--------------|---------------------|
| NYS Office of Children & Family Services | 52 Washington Street Rensselaer, NY 12144-2796 | Charles Carson | 518-474-7112 | |
| State of NJ Dept. of Human Services (DYFS) | P.O. Box 717 Trenton, NJ 08625-0717 | James M. Davey | 609-292-8255 | |
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Core Application – Request, Certification, etc.

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the NYCIDA Board, in order to obtain from the NYCIDA Board an expression of intent to provide the benefits requested herein for the Project. I understand that this expression of intent will take the form of an inducement resolution to be adopted by the Board.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant.

I certify to the best of my knowledge and belief that all of the information provided in these Application Materials is accurate, true and correct. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Board to reject the request made in the Application Materials.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check; that the NYCIDA may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the NYCIDA does determine that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Mayor; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA may be required to disclose the Application Materials and the information contained therein (see Disclosure Policy and Procedure); and that, Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials, including (in the case of Bonds) but not limited to payment of the New York State bond issuance fees (if applicable to the Bonds in question) based upon the aggregate principal amount of the Bonds.

I further understand and agree as follows:

That in the event the Application Materials are not submitted to the Board for any reason including negative results obtained through the background check, and/or, with respect to Application Materials that are submitted to the Board, in the event the Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the NYCIDA or any other public or governmental entity or public benefit corporation (including the NYCEDC), or any directors, officers, employees or agents of the foregoing (collectively, the "Public Participants"), for the Application Fee, or for other expenses incurred by Applicant or other parties on behalf thereof, or for damages or specific performance; and that the Application Fee is under all circumstances (including but not limited to the ones just described and the ones described in the next succeeding paragraph) non-refundable; and

That if the Board adopts an inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Board will adopt an authorizing resolution, or that the NYCIDA will then provide the induced benefits; and

That Applicant shall indemnify the NYCIDA for fees and disbursements incurred by bond counsel (in the case of a Bond transaction) or by project counsel (in the case of a straight-lease transaction); and that bond counsel or project counsel (as applicable) shall be a third-party beneficiary of this indemnity to the NYCIDA regardless of whether a Closing occurs and if no Closing occurs, regardless of the reason thereafter and regardless of whether a Closing was within or without the control of any of the Public Participants; and

That in the event NYCIDA discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the NYCIDA to make such disclosure and hereby releases the NYCIDA from any claim or action that Applicant may have or might bring against the NYCIDA, its directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the NYCIDA and, if applicable, the NYCEDC and their respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys' fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees, and agents thereof.

I acknowledge and agree that the NYCIDA reserves the right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

This 17 day of April 2006.

Name of Applicant: Spence-Chapin, Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

NYCIDA Employment and Other Labor Matters Questionnaire

The Applicant and its Affiliates hereinafter will be referred to as the "Companies" or individually as a "Company." If any of the following questions applies to none of these Companies, answer "NONE"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant. When the space provided for an answer is insufficient, provide the answer on a separate sheet of paper and attach that paper to this Questionnaire.

1. List all of the labor union contracts and collective bargaining arrangements to which any of the Companies is currently a party:

None

2. Have any of the Companies during the current calendar year and the five calendar years preceding the current calendar year experienced labor unrest situations, including pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?

Yes

No

If Yes, please explain:

3. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the three calendar years preceding the current calendar year?

Yes

No

If Yes, please describe and explain current status of complaints:

4. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings, labor disputes, strikes or disturbances during the current calendar year and the three calendar years preceding the current calendar year?

Yes

No

If Yes, please explain:

5. Are all employees of the Companies permitted to work in the United States?

Yes

No

If No, please provide details on an attached sheet.

What steps do the Companies take as a matter of course to ascertain their employees' employment status?

I-9 forms are collected and maintained separately from personnel files.

Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

Yes

No

If No, please explain:

6. Has the United States Department of Labor, the New York State Department of Labor, the New York City Office of the Comptroller or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current calendar year or during the three calendar years preceding the current one?

Yes No

If the answer to this question is "Yes," briefly describe the nature of the inspection, the inspecting governmental entity and when the inspection occurred. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon the Company or Companies as a consequence:

7. Has any Company incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?

Yes No

If the answer to this question is "Yes," quantify the liability and briefly describe its nature and refer to any governmental entities that have had regulatory contact with the Company in connection with the liability:

8. Are the practices of any Company now, or have they been at any time during the three calendar years preceding the current calendar year, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?

Yes No

If the answer to this is "Yes," provide details. When answering this question, please consider "discrimination" to include sexual harassment.

Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Spence-Chapin Services to Families and Children

By: Printed Name of Signer: Katharine S. Legg

Title of Signer: Executive Director

Signature: *Katharine S. Legg*

Date: *April 17, 2006*