

New York City Industrial Development Agency  
Not-for-Profit [501 (c)(3)]  
Project Financing Application

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By what date do you wish to close the proposed project financing? DECEMBER, 2000

**I. APPLICANT INFORMATION**

Applicant's Name: THE CHURCHILL SCHOOL & CENTER FOR LEARNING DISABILITIES, INC.

Address: 22 EAST 95TH ST., NEW YORK, NY 10128 (CURRENT)

Phone #: [REDACTED] Fax #: [REDACTED]

IRS Employer ID Number: [REDACTED] S.I.C. [REDACTED]

NY State Dept. of Labor Number (if applicable): [REDACTED]

Officer of Applicant completing this application (contact person):

Name: EVA MESKO Title: BUSINESS MANAGER Phone #: [REDACTED]

Applicant type of Organization (i.e. Social Services, Private School):  
PRIVATE SCHOOL & APPROVED "853" NON-PUBLIC SCHOOL

Brief description of service:  
GENERAL EDUCATION FOR LEARNING DISABLED STUDENTS FOR GRADES K-8, TEACHER TRAINING WORKSHOPS AND PUBLIC PRESENTATIONS ON LEARNING DISABILITIES. THE PROJECT WILL ENABLE THE SCHOOL TO EXPAND THE EDUCATIONAL PROGRAM FOR GRADES 9-12, AND TO INCREASE THE CENTER'S COMMUNITY OUTREACH PROGRAM AND TEACHER TRAINING ACTIVITIES.

Applicant's State of Incorporation or Registration: NEW YORK

Applicant's Attorney

Name: ALAN D. FOX Phone #: [REDACTED] Fax #: [REDACTED]

Firm and Address: [REDACTED]

Applicant's Accountant

Name: ROBERT MANGER Phone #: [REDACTED] Fax #: [REDACTED]

Firm and Address: [REDACTED]

## II. PROJECT INFORMATION

1. Describe in detail the nature of the proposed project. Describe the proposed project site and any improvements currently on it. Describe proposed construction/renovation, if any.

CHURCHILL'S CURRENT BUILDINGS CANNOT SATISFY THE INCREASING DEMANDS FOR SPECIAL EDUCATION SERVICES, AND PROVIDE A DESIRABLE LEARNING ENVIRONMENT FOR ITS STUDENTS. WITH THE PURCHASE OF THIS NEW SITE, A FIVE-STORY BUILDING AT 301 EAST 29<sup>TH</sup> STREET, IT WILL BE POSSIBLE TO INCREASE ENROLLMENT AND TO PROVIDE THE NECESSARY EDUCATIONAL FACILITIES. WITH THE ASSISTANCE OF BOND FINANCING, THE CURRENT FIVE-STORY (PLUS BASEMENT), 53,000 SQUARE FOOT BUILDING WILL BE RENOVATED FOR SCHOOL USE AND EXPANDED BY TWO ADDITIONAL FLOORS. THE BUILDING PRESENTLY CONTAINS A REGULATION-SIZED GYMNASIUM, SEVERAL LARGE MEETING ROOMS AND OFFICE SPACES. ONCE RENOVATED AND ENLARGED, IT WILL HOUSE 33 CLASSROOMS, TWO ART STUDIOS, TWO SCIENCE LABS, COMPUTER CENTER, A 3,034 SQUARE FOOT LIBRARY, AUDITORIUM WITH STAGE AND MUSIC ROOM, THERAPY ROOMS, LUNCH ROOM, OFFICES, AND CONFERENCE ROOMS.

2. Why does the Applicant plan to undertake the project? What are the objectives to be achieved through the project?

CHURCHILL IS UNDERTAKING THIS PROJECT TO BE ABLE TO OFFER MORE SEATS IN THE ELEMENTARY AND MIDDLE SCHOOLS AND TO ESTABLISH A HIGH SCHOOL FOR NEW YORK CITY STUDENTS WHO NEED SPECIAL EDUCATION SERVICES. PRESENTLY, HIGH SCHOOL STUDENTS STILL REQUIRING SPECIAL EDUCATION HAVE TO GO OUTSIDE OF NEW YORK CITY FOR THEIR CONTINUING EDUCATION. ONCE EXPANSION IS COMPLETED, CHURCHILL WILL BE THE ONLY SPECIAL EDUCATION SCHOOL IN MANHATTAN TO OFFER K-12 CLASSES. FURTHERMORE, THIS NEW BUILDING WILL PROVIDE STATE OF THE ART EDUCATIONAL FACILITIES, SUCH AS A COMPUTER CENTER WITH INTERNET ACCESS, A VIDEO LIBRARY, A GYMNASIUM LARGE ENOUGH TO HOST INTRAMUREL SPORT ACTIVITIES, AND MANY OTHER EDUCATIONAL SPACES, WHICH ARE NON-EXISTENT IN THE BUILDING THAT CHURCHILL NOW OCCUPIES. THESE IMPROVEMENTS WILL ENHANCE THE QUALITY OF EDUCATION FOR OUR LEARNING DISABLED STUDENTS. ADDITIONAL CONFERENCE SPACES AND CLASSROOMS WILL ALSO ENABLE THE CENTER TO PROVIDE MODEL SERVICES TO A LARGER GROUP OF EDUCATORS, AND TO INCREASE THE OUTPUT OF INFORMATION ON LEARNING DISABILITIES TO THE GENERAL PUBLIC.

3. Indicate the estimated dates for construction/renovation start and completion and financing drawdowns.

DEMOLITION COMMENCED THE WEEK OF AUGUST 23<sup>RD</sup> AND CONSTRUCTION IS EXPECTED TO BE COMPLETED BY JULY 31<sup>ST</sup>, 2000. THE SCHOOL PLANS TO OPEN AT THE NEW LOCATION IN SEPTEMBER 2000. FINANCING DRAWDOWNS SHOULD BE COMPLETED BY DECEMBER 2000.

4. Please give best estimates for all costs involved in the proposed project:

Land & Building (acquisition):	\$ [REDACTED]
New Construction's 1 <sup>st</sup> year interest expense	865,971
Renovations/Building improvements	[REDACTED]
Machinery/Equipment	600,000
Fees/other Soft Costs	2,000,000
Other (explain) BOND ISSUANCE COSTS	1,081,159
DEBT SERVICE RESERVE FUND	826,370
PROGRAM/START-UP COSTS	500,000
<b>Total Project Costs</b>	<b>[REDACTED]</b>

5. Please identify proposed sources and amounts of funds to finance the above project costs:

Bonds	[REDACTED]
Loan from Other Source	0
Fund Balance	0
Capital Campaigns	11,958,500
Other Sources	0
<b>Total Project Sources</b>	<b>[REDACTED]</b>

6. Provide the following information relating to the proposed project site.

Street Address and Borough	Block Lot & Section Number	Square Footage of Land	Square Footage of Building	Number of Floors Including Basement	Zoning
a. 301 EAST 29 <sup>TH</sup> STREET NEW YORK, NY 10016	935 1 AND 6	18,319.75	66,996 *	8 *	COMBINED LOTS EXIST IN TWO ZONES, C1-8 & R-8
b.					
c.					
d.					

*\*Upon completion of project*

7. Give the following information with respect to all present tenant(s) and sub-tenants at the proposed project site.

Name, Contact Person & Telephone Number	Square Feet & Floors Occupied	Lease Expiration/Renewal
NONE		

8. Will any entity/person other than Applicant use the project facility? Does Applicant intend to lease a portion of the project facility, and, if so, will there be tenants other than those listed under Question #7? Provide all details. NO

9. Provide street address, borough or town, for premises which you currently own or lease, even if you don't occupy same. Do you plan to terminate/sell/vacate/ remain at such premises? Provide all details. With respect to currently leased premises, provide the name and address of landlord and the expiration date of the lease term.

***22 EAST 95<sup>TH</sup> STREET, NEW YORK, NY 10128. WE ARE IN THE PROCESS OF SELLING THE BUILDING AND WE WILL RELOCATE TO THE NEW SITE ONCE CONSTRUCTION IS COMPLETED.***

10. If any of the present or proposed tenants in this project are related to, or affiliated with the Applicant, please indicate and list percentage of occupancy. N/A

11. If any of the present or proposed tenants in this project are related to, or affiliated with the seller of the property, please indicate and list percentage of occupancy. N/A

12. Is there a relationship, legally, by virtue of common control or through related persons, directly or indirectly, between the Applicant and the present owner of the project site? If so, please provide details. NO.

13. Has the Applicant, any existing or proposed tenant of the proposed project facility, or any person related to any of the foregoing, received or benefited from within the past six month, or is contemplating to receive or benefit from within the next six month, tax-exempt financing anywhere within the United States? If yes, please provide details

NO

### III. MANAGEMENT INFORMATION

1. Please provide the resumes of the principal officers of the Applicant. Make sure that this includes age, education, employment history, current title and responsibilities.

KRISTINE BAXTER      HEAD (CHIEF OPERATING OFFICER)  
EVA MESKO            BUSINESS MANAGER (CHIEF FINANCIAL OFFICER)  
ROBERT Z. BRODY     ASSISTANT BUSINESS MANAGER

*Resumes enclosed*

2. Please provide al list of Board of Directors and their affiliations.

SEE ATTACHED.

3. Give a detailed history of the Applicant and a detailed description of Applicant's organization.

SEE ATTACHED.

### IV. DUE DILIGENCE

This section asks for more specific information about Applicant's services. Please complete the following questions using attached Due Diligence Sheets, when necessary.

1. How many employees does Applicant employ in New York City at the present time?

Full-time (min. 35 hours peer week): 62                      Part-Time (min. 20 hours per week): 6

2. How many employees does Applicant employ outside of New York City but in New York State?

Full-time (min. 35 hours peer week): NONE                      Part-Time (min. 20 hours per week): NONE

3. Does Applicant intend to employ new additional employees at the proposed project site, or will Applicant transfer current employees from premises presently being used? Please provide details.

SINCE THE SCHOOL IS GOING TO EXPAND ENROLLMENT FROM THE CURRENT 150 STUDENTS TO 380 STUDENTS WITHIN FOUR YEARS, WE EXPECT TO ADD 85 EMPLOYEES TO THE CURRENT STAFF (75 IN THE EDUCATIONAL AREA AND THE REMAINDER IN ADMINISTRATION).

4. List union affiliation, contact person, phone and fax numbers and contract expiration date on attached Due Diligence Sheet.

SEE ATTACHED.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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**Board of Trustees – August 1999**

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]  
Director, Client [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. List bank affiliation, contact person, phone and fax numbers and account number on attached Due Diligence Sheet.

SEE ATTACHED.

6. List any funding sources, their addresses, contact persons and phone and fax numbers on attached Due Diligence Sheet.

SEE ATTACHED.

7. List the principal officers of Applicant, their home addresses, titles, dates of birth and social security numbers on attached Due Diligence Sheet. (this is in addition to the resumes in Question III (1.).

SEE ATTACHED.

8. Has Applicant, or any officer or director, or any entity with which any of the foregoing individuals have been associated, ever been adjudicated bankrupt or placed in receivership, or otherwise been the subject of a bankruptcy or similar proceedings (prior to current)?

YES       NO      If yes, provide all details on attached sheet.

9. Have any of Applicant's officers or directors ever been convicted of any criminal proceedings?

YES       NO      If yes, provide all details on attached sheet.

10. Is Applicant, or any officer or director of Applicant, a plaintiff or defendant in any civil or criminal proceedings?

YES       NO      If yes, provide all details on attached sheet.

11. In what litigation is Applicant, or any of the individuals and entities listed in response to Questions 10, and 11 currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet.

NONE

12. Does Applicant have any contingent liabilities? (e.g., pending claims; federal, state or city tax liability; judgments, liens, etc.)

YES       NO      If yes, provide all details on attached sheet.

13. Has Applicant filed all required tax returns with appropriate governmental entities?

YES       NO

**DUE DILIGENCE SHEET**

1. Principals

KRISTINE BAXTER

[REDACTED]

TITLE: HEAD

EVA MESKO

[REDACTED]

TITLE: BUSINESS MANAGER

ROBERT Z. BRODY

[REDACTED]

TITLE: ASST. BUSINESS MANAGER

**DUE DILIGENCE SHEET**

2. Funding Sources

NEW YORK CITY BOARD OF EDUCATION  
CONTRACT AID UNIT

[REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

CONTACT PERSON: MARJORIE CADET

3. Unions

NONE

4. Banks

CITIBANK, N.A.  
CONTACT PERSON: LYNN GLICK, MANAGER

PHONE # [REDACTED]

FAX # [REDACTED]

TYPE OF ACCT: [REDACTED]

[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

## V. CONFIDENTIALITY

All information contained in this application will be treated confidentially to the extent permitted by law (see "Certification" section V of this Application). Since under the "New York State Freedom of Information Law information must be disclosed unless such information contains trade secrets (which, if disclosed, would cause irreparable harm), Applicant must, in the space provided below, indicate which information provided in this Application it believes falls into such category and an explanation as to why.

## VI. CERTIFICATION

I, the undersigned, request on behalf of THE CHURCHILL SCHOOL & CENTER FOR LEARNING DISABILITIES ("Applicant") that this Application be submitted for review by the Board of Directors of the New York City Industrial Development Agency (IDA). I hereby certify that the information contained herein and in the attachments here to, are, to the best of my knowledge and belief, accurate, true and correct. I understand that any intentional misstatements or misleading information contained herein, or the omission of relevant information, could be cause for decision of IDA approval and IDA benefits. I acknowledge receipt from the IDA of a memorandum explaining legal, insurance and various real estate related requirements, all of which will be necessary for the contemplated project financing.

On behalf of Applicant, I hereby acknowledge and agree Applicant shall be, and is responsible for, and shall promptly pay all costs incurred by IDA, in connection with document negotiations, closing and, where applicable, bond issuance and sale, whether or not closing occurs and whether or not bond issuance and sale occur in applicable instances. The aforesaid costs, and Applicant's obligation hereunder to pay for same, shall include, but not be limited to, attorney's fees. Applicant's obligations hereunder are absolute and shall in no event be contingent upon closing.

On behalf of myself, all other principals of Applicant, and Applicant, I hereby authorize New York City Industrial Development Agency and the New York City Department of Investigation (DOI) to initiate their background clearance procedure with respect to myself, all other principals of Applicant, and Applicant. I, all other principals of Applicant, and Applicant agree to give DOI permission to secure all necessary personal data from all relevant sources, public and private, and I, all other principals of Applicant, and Applicant further agree to cooperate in all phases of the DOI background and clearance procedures. I, all other principals of Applicant, and the Applicant agree to hold IDA and the City of New York harmless with respect to any claims for injury, damage, loss or expense which may arise should the above mentioned background clearance procedures not be completed satisfactorily.

On behalf of Applicant and its existing and future affiliates, I authorize any private or governmental entity, including but not limited to The New York State Department of Labor ("DOL"), to release to IDA and/or to the New York City Economic Development Corporation (EEDC"), and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under its control and pertinent to Applicant and its existing and future affiliates and the employees of same. In addition, upon IDA's request, Applicant shall provide to IDA any employment information in Applicant's possession or in the possession of any of Applicant's existing and future affiliates, which is pertinent to Applicant and Applicant's existing and future affiliates and the employees of same. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any



private entity, or by Applicant itself (collectively, "Employment Information"), may be disclosed by the Information Recipients in connection with the administration of the programs of the IDA, and/or EDC, 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 (x) reports prepared by the Information Recipients pursuant to new York City Local Law 69 of 1993, (y) other reports required of IDA, and (z) any other reports require by law. If IDA approves this Application, and the IDA Board of directors approves the financing project which is the subject of this application, this authorization shall remain in effect through the term of the financing lease which the Applicant and IDA will enter into at closing. If IDA does not approve this Application, and/or the IDA Board of Directors does not approve the financing project which is the subject of this application, this authorization shall remain in effect through the earlier to occur of the aforesaid decisions not to approve.

I, all other principals of Applicant and Applicant, understand that IDA may be requested to disclose the information contained in this Application and the attachments hereto, under applicable disclosure laws, or at the request of investigative law enforcement or other governmental bodies. On behalf of myself, all other principals of Applicant, and Applicant, I authorize IDA to disclose any such information, under such law or where so requested, and I, all other principals of Applicant and the Applicant release IDA from any liability to the Applicant, all other principals, and/or myself for such disclosure. I also authorize IDA at its discretion to transmit this application or any financial data submitted herewith to prospective lenders, such as banks or insurance companies, and to IDA's financial advisors.

On behalf of Applicant, I acknowledge and agree that IDA reserves the right to require Applicant to submit at Applicant's sole expense, such other documentation as IDA may require in addition to the documentation required hereunder, and that all such documentation, whether requested hereunder or hereafter, shall be provided at Applicant's sole cost and expenses, and shall be in form and substance satisfactory to IDA.

Approval of this Application may only be granted by IDA's Board of Directors through the Board's adoption of an inducement or authorizing resolution for the project described in this Application. Additionally, it is understood and agreed that the \$2,500 Application fee accompanying this application is non-refundable, regardless of whether or not, this Application is so approved. Applicant acknowledges and accepts that: the \$2,500 Application fee will accrue toward payment of the IDA Closing Fee should closing occur; and if and when the IDA's Board of Directors approves this Application, the Agency may additionally require Applicant to pay at such time an amount equal to 10 basis points of the bond/project amount (as applicable), which payment shall also accrue toward payment of the IDA Closing fee should closing occur.

Date:

Sep. 14, 1999

Certification by:

*Kristine Baxter*  
Signature of Chief Executive Officer

KRISTINE BAXTER

Attested By :

*Eva Mesko*  
Signature of Chief Financial Officer/Secretary

EVA MESKO