

Xcc'd 12/21/97

New York City Industrial Development Agency

Not-for Profit [501 (c)(3)]

Project Financing Application

By what date do you wish to close the proposed project financing? ASAP

**I. APPLICANT INFORMATION**

Applicant's Name: THE GUILD FOR EXCEPTIONAL CHILDREN, INC.

Address: 260 - 68th St., Bklyn, New York 11220

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

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

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

Officer of Applicant completing this application (contact person):

Name: Barry L. Cohn Title: Executive Director Phone #: [REDACTED]

Applicant type of Organization (i.e., Social Services, Private School): Services to disabled

Brief description of service: Operating sheltered workshop, day treatment,  
residential, early intervention, Preschool, Home Services,  
Clinic, and respite programs.

Applicant's State of Incorporation or Registration: New York State

Applicant's Attorney: Name: Andrew Sichenze Phone #: [REDACTED] #: [REDACTED]

Firm and Address: [REDACTED]

Applicant's Accountant: Name: Marvin & Co. Phone #: [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.

1. Purchase and renovations of a residence for 6 elderly medically frail.
2. Renovations for Day Treatment facilities (4 Buildings)

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

- Project # 1: Awarded contract from OMRDD in response to RFS of 1996. Provide residence for 6 elderly/frail MR/DD adult
- Project # 2: Existing facility in severe need of major renovation. Many citations for physical deficiencies.

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

- Project #1: Waiting for DOB approval. Waiting since May, 1997
- Project #2: Construction complete. Consumers moving in the week of 11/1/97.

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

	Project 1	Project 2
Land & Building (acquisition)	\$ [REDACTED]	
New Construction	\$ _____	
Renovations/Building improvements	\$ 264,046	\$ [REDACTED]
Machinery/Equipment	\$ _____	
Fees/Other Soft Costs Architect	\$ [REDACTED]	\$ [REDACTED]
Other (explain)	\$ _____	
<b>Total Project Costs</b>	\$ [REDACTED]	\$ [REDACTED]

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

Bonds	\$ _____	
Loan from other sources	\$ _____	Please identify sources _____
Fund Balance	\$ _____	
Capital Campaigns	\$ _____	
Other Sources	\$ _____	Please identify sources _____
<b>Total Project Sources</b>	\$ _____	

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

	<u>Street Address &amp; Borough</u>	<u>Block Lot &amp; Section Number</u>	<u>Square Footage of Land</u>	<u>Square Footage of Building</u>	<u>Number of Floors Including Basement</u>	<u>Zoning</u>
(1)	a. 619 - 73rd St.	5911 Lot 74	3600	4752	3	Residential
(2)	b. 6745 - 51 3rd Ave.	5854 Lot 5-2	8118	10,666	3	Business
	c.					
	d.					

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

	<u>Name, Contact Person &amp; Tel.</u>	<u>Square Feet &amp; Floors Occupied</u>	<u>Lease Expiration/Renewal</u>
(1)	Barry L. Cohn	4752	In contract
(2)	Barry L. Cohn	10,666 - 2 Fls.	Owned

7. 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 # 6? Provide all details.

N/A

8. 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.

ATTACHED

9. 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

10. 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

11. 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

12. Has the Applicant, any existing or proposed tenant of the proposed project facility, or any person related to any of the foregoing, received or benefitted from within the past six months, or is contemplating to receive or benefit from within the next six months, 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.

SEE ATTACHED

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

Attached

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

SEE ATTACHED PROGRAM DESCRIPTION

### 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 215 Part-Time 145  
(minimum 35 hours per week) (minimum 20 hours per week)

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

Full-Time 0 Part-Time 0  
(minimum 35 hours per week) (minimum 20 hours per week)

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.

About 14

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

NA

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

Attached

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

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.).

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 or 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.

See 1997 audited financial statement; page 13 #13 "Contingencies/Commitment

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.

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

See 1997 audited financial statement; page 13 #14 "Due to Govt. Agencies"

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

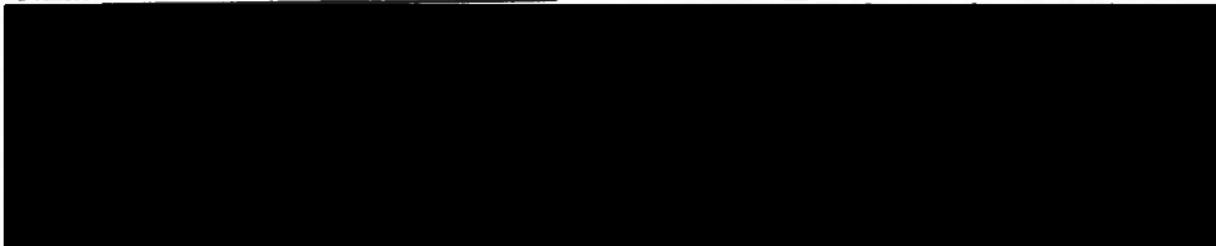
13. Has Applicant filed all required tax returns with appropriate governmental entities?

YES       NO

DUE DILIGENCE SHEET...

2. Funding Sources

Name OMRDD NYC Dept. of Mental Health, Mental Retardation & Alcoholism Svcs.  
Name NYC Board of Education



Name OMRDD Name NYC Board of Education  
Contract Aid

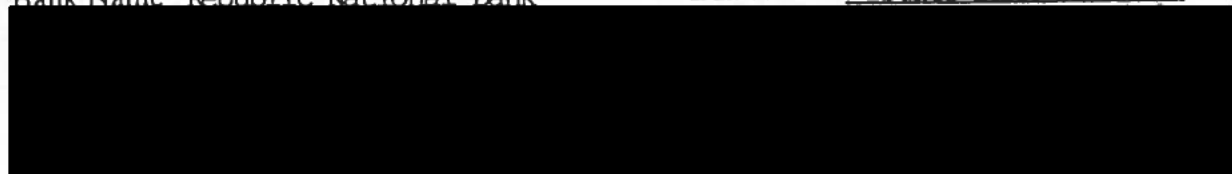


3. Unions

Union Name N/A Union Name \_\_\_\_\_  
Contact Person \_\_\_\_\_ Contact Person \_\_\_\_\_  
Phone # \_\_\_\_\_ Phone # \_\_\_\_\_  
Fax # \_\_\_\_\_ Fax # \_\_\_\_\_

4. Banks

Bank Name Republic National Bank Bank Name State Bank of L.I.



OTHER BANKS LISTED ON CONTINUATION SHEET

## 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 Guild for Exceptional Children ("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 hereto, 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 rescission 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 that 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 procedure. 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 procedure 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 ("EDC"), 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



## CERTIFICATION...

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 required 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.

**CERTIFICATION...**

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 Application fee accompanying this Application is non-refundable, regardless of whether or not this Application is so approved. Applicant acknowledges and accepts that: the 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: 10/30/97

Certification By: Barry L. Cohn Barry L. Cohn  
Signature of Chief Executive Officer Printed Name

Attested By: Ashli Gabra ADIB GABRA  
Chief Financial Officer/Secretary Printed Name