

BUILD NYC RESOURCE CORPORATION
PROJECT COST/BENEFIT ANALYSIS
June 4th, 2015

APPLICANT

La Scuola D'Italia-Guglielmo Marconi

12 East 96th Street

New York, New York 10128

PROJECT LOCATION

432 West 58th Street

New York, New York 10019

A. Project Description:

La Scuola D'Italia-Guglielmo Marconi (the "School") is a not-for profit educational corporation which operates an independent coeducational school for pre-kindergarten through 12th grade.

The School is seeking approval for the issuance of approximately \$76,000,000 in tax-exempt bonds to: (1) finance the acquisition, renovation, furnishing and equipping of an approximately 102,233 square foot building located on an approximately 10,000 square foot parcel of land at 432 W. 58th Street, New York, New York 10019 (the "New Facility"); (2) refinance a bridge loan in the approximate amount currently outstanding of \$5,000,000, the proceeds of which were used to finance a portion of the down payment in connection with the acquisition of the New Facility; (3) finance capitalized interest; and (4) pay certain costs relating to the issuance of the bonds and other costs relating to the New Facility.

The School currently employs 62 full-time equivalent employees and expects to hire 22 additional full-time equivalent employees within the next three years.

B. Costs to City (New York City taxes to be exempted):

Mortgage Recording Tax Benefit:	\$ 715,000
Estimated NYC Forgone Income Tax on Bond Interest (estimated NPV 25 years @ 6.25%)*:	554,894
Total Cost to NYC	\$ 1,269,894

*The exact amount of personal income tax revenue that will be lost as a result of this transaction depends on factors including (but not limited to) the percentage of bond bought by entities subject to New York City personal income taxes, the interest income generated from the bonds and the tax rate applied to bond purchasers.

C. Benefit to City (Estimated NYC direct and indirect taxes to be generated by Company) (estimated NPV 25 years @ 6.25%):

\$ 4,945,005

BENEFITS APPLICATION

Applicant Name: <i>La Scuola d'Italia – Guglielmo Marconi</i>	
Name of operating company (if different from Applicant): <i>n/a</i>	
Operating Company Address: <i>12 E. 96th Street, New York, NY 10128</i>	
Website Address: www.lascuoladitalia.org	
EIN #: [REDACTED]	NAICS Code:
State and date of incorporation or formation: <i>NY, July 29, 1977</i>	Qualified to conduct business in NY? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Applicant is (check one of the following, as applicable):	
<input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Natural Person <input checked="" type="checkbox"/> 501(c)(3) Organization <input type="checkbox"/> Other: _____	
Are any securities of Applicant publicly traded? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Applicable Financial Assistance (check all that apply)

Please note the following: When Build NYC is the entity providing Financial Assistance, the Project Financial Assistance may be limited to deferral from mortgage recording taxes and tax-exempt conduit bond financing.

<input checked="" type="checkbox"/> Bond Financing
<input type="checkbox"/> Real Estate Tax Benefits
<input type="checkbox"/> Sales Tax Waiver
<input checked="" type="checkbox"/> Mortgage Recording Tax Deferral

Applicant Contact Information

	Name/Title	Company	Address	Email	Phone
Applicant Contact Person	<i>Carlo Mantica, Trustee</i>	<i>LC International LLC</i>	[REDACTED]	[REDACTED]	[REDACTED]
Attorney	<i>Alan Kleiman, Esq.</i>	<i>EpsteinBeckerGreen</i>	[REDACTED]	[REDACTED]	[REDACTED]
Accountant	<i>Joan Faughnan</i>	<i>La Scuola D'Italia</i>	[REDACTED]	[REDACTED]	[REDACTED]
Consultant/Other	<i>Nguyen Huynh</i>	<i>GATES Capital Corp.</i>	[REDACTED]	[REDACTED]	[REDACTED]

Background

Please provide a brief description of the Applicant's history and nature of its business, including a description of the industry, competitors and services offered, on a separate sheet.

Proposed Project Activities

Please provide answers to the following four questions on a separate page.

1. Please provide a brief overview of the entire proposed Project. If necessary, break down by tax lot to describe activities at each Project Location.
2. Please provide a brief description of how the proposed Project will affect current operations.
3. Please provide a brief description of renovations/construction of the proposed Project.
4. Please provide a brief timeline for the entire proposed Project.

Project Financing

Amounts provided should be aggregates for all Project Locations.

Uses of Funds	Sources of Funds (If needed use an additional sheet to indicate all sources and uses)							Total Uses
	Bond Proceeds	Commercial Financing (Loan 1)	Commercial Financing (Loan 2)	Affiliate/ Employee Loans	Capital Campaign	Company Funds	Other (Identify):	
Land & Building Acquisition	\$44,000,000	\$5,000,000				\$6,000,000		\$55,000,000
Construction Hard Costs	\$5,000,000					\$5,000,000		\$10,000,000
Construction Soft Costs	\$3,000,000							\$3,000,000
Fixed Tenant Improvements								
Furnishings & Equipment								
Debt Service Reserve Fund								
Capitalized Interest	\$3,500,000							\$3,500,000
Costs of Issuance	\$1,500,000							\$1,500,000
Bridge Loan Payoff:	\$5,000,000							\$5,000,000
Working Capital	\$4,000,000							\$4,000,000
Total Sources	\$66,000,000	\$5,000,000				\$11,000,000		\$82,000,000

Operating Pro Forma (for NYCIDA applicants only)

Please provide an operating pro forma or other financial analysis demonstrating how NYCIDA assistance is needed in order to make the Project feasible.

Sourcing

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

<input type="checkbox"/> New York City	% of Total?	<input type="text"/>
<input type="checkbox"/> New York State (excluding NYC)	% of Total?	<input type="text"/>
<input type="checkbox"/> United States (excluding NYS & NYC)	% of Total?	<input type="text"/>
<input type="checkbox"/> Outside United States	% of Total?	<input type="text"/>
x N/A – No equipment is planned to be purchased for this Project		

Project Location Detail

Project Location	Project Location # 1 of 2
Borough/Block/Lot: 1507 / 63	Street address and zip code: 12 E. 96 th St., NY, NY 10128
Zoning: R10	Number of Floors: 7
Square footage of existing building: 18,375	Square footage of land: 2,518
Anticipated square footage of building following construction and/or renovation: 18,375	Anticipated square footage of non-building improvements following construction and/or renovation (i.e., parking lot construction): n/a
Intended use(s) of site (check <u>all</u> that apply): <input type="checkbox"/> Retail <input type="checkbox"/> Manufacturing/Industrial <input type="checkbox"/> Office <input checked="" type="checkbox"/> Non-profit For ALL USES other than Non-profit or Retail, please also complete Energy Questionnaire	
Is there any improved space which is currently occupied by existing subtenant(s) (whether Affiliates or otherwise)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Will any improved space be occupied by subtenant(s) (whether Affiliates or otherwise)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes to either, please attach a separate page and provide details such as (1) name of subtenant business(es) (whether Affiliates or otherwise), (2) square footage of subtenant operations, (3) subtenant lease commencement and termination dates, and (4) copies of leases.	

Project Location	Project Location # 2 of 2
Borough/Block/Lot: 1067 / 44	Street address and zip code: 432 W. 58 th St., NY, NY 10019
Zoning: R8	Number of Floors: 11
Square footage of existing building: 102,233	Square footage of land: 10,000
Anticipated square footage of building following construction and/or renovation: 102,233	Anticipated square footage of non-building improvements following construction and/or renovation (i.e., parking lot construction): n/a
Intended use(s) of site (check <u>all</u> that apply): <input type="checkbox"/> Retail <input type="checkbox"/> Manufacturing/Industrial <input type="checkbox"/> Office <input checked="" type="checkbox"/> Non-profit For ALL USES other than Non-profit or Retail, please also complete Energy Questionnaire	
Is there any improved space which is currently occupied by existing subtenant(s) (whether Affiliates or otherwise)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Will any improved space be occupied by subtenant(s) (whether Affiliates or otherwise)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes to either, please attach a separate page and provide details such as (1) name of subtenant business(es) (whether Affiliates or otherwise), (2) square footage of subtenant operations, (3) subtenant lease commencement and termination dates, and (4) copies of leases. (1) Subtenant is expected to be educational not for profit TBD (2) 25,000 square feet (3) 7 – 10 year lease; dates TBD (4) Leases - forthcoming	

Anticipated Ownership of Premises

1. Please check all that apply:

<i>X Applicant or an Affiliate is or expects to be the fee simple owner of the Project Location</i>	<i>(Projected) Acquisition date: June 26, 2015</i>
<i>X Applicant or an Affiliate leases or expects to lease the Project Location</i>	<i>(Projected) Lease signing date: TBD</i>
If you checked the box above, please select one of the following: <input type="checkbox"/> <i>Lease is for an entire building and property</i> <i>X Lease is for a portion of the building and/or property – approx. 25% of space to be leased to educational not for profit.</i>	
<input type="checkbox"/> <i>None of the above categories fully describe Applicant's interest or intended interest in the Project Location, which may be more accurately described in a supplementary document (attached).</i>	

2. If an Affiliate owns or controls (or will own or control) a Project Location, then describe such Affiliate by choosing one of the following selections and completing the chart provided below: n/a

- | | | |
|---|---|--|
| <input type="checkbox"/> <i>General Partnership</i> | <input type="checkbox"/> <i>Limited Partnership</i> | <input type="checkbox"/> <i>C Corporation</i> |
| <input type="checkbox"/> <i>S Corporation</i> | <input type="checkbox"/> <i>Limited Liability Company</i> | <input type="checkbox"/> <i>501(c)(3) Organization</i> |
| <input type="checkbox"/> <i>Natural Person</i> | <input type="checkbox"/> <i>Other (specify): _____</i> | |

<i>Name of Affiliate:</i>	<i>EIN # of Affiliate:</i>
<i>Address of Affiliate:</i>	
<i>Affiliation of Affiliate to Applicant:</i>	
<i>Contact Person:</i>	<i>Title of Contact Person:</i>
<i>Phone Number(s):</i>	

Employment Information

The following information will be used as part of the Agency's calculation of the benefit of the Project, and as a basis for the comparison with the employment information that the Applicant will be required to report on an annual basis for the term of the Project Agreement.

In addition, information included in the Estimated New-growth Employment (section 6) will be used to determine eligibility for participation in the HireNYC Program. For program information, visit nycedc.com/hirenyc. If eligible for HireNYC Program participation, NYCEDC will provide additional details.

For all responses below, please note that part-time employees work an average of between 17.5 and 35 hours per week, and full-time employees work 35 hours or more per week. Hourly wages should represent the pay rate and are exclusive of overtime. For any salaried employees, please divide the annual salary by 1,820 (working hours per year) to produce an hourly wage. Wage information should exclude principals.

1. Anticipated Facility Operations Start Date at Project Location: 2016-17 School Year at 432 W. 58th Street location

2. Regarding employees the Applicant employed throughout New York City as of the last pay period:

Number of part-time employees: 12

Number of full-time employees: 53

3. Regarding employment if Applicant currently occupies and operates at the Project Location:

Hourly wage of lowest compensated part-time employee: n/a Hourly wage of lowest compensated full-time employee: n/a

Number of part-time employees: n/a

Number of full-time employees: n/a

4. Regarding employees the Applicant expects to employ throughout New York City on the Facility Operations Start Date:

Number of part-time employees: 14

Number of full-time employees: 55

How many of these employees are expected to be relocated to the Project Location on or about the Facility Operations Start Date?

Number of part-time employees: 14

Number of full-time employees: 55

5. Regarding all employees at the Project Location on the Facility Operations Start Date:

Average hourly wage per part-time employee: \$50.67

Hourly wage of highest compensated part-time employee: \$85.99

Hourly wage of lowest compensated part-time employee: \$27.83

Number of part-time employees: 14

Average hourly wage per full-time employee: \$41.33

Hourly wage of highest compensated full-time employee: \$135.66

Hourly wage of lowest compensated full-time employee: \$22.26

Number of full-time employees: 55

6. Estimated New-growth Employment. Complete the following chart to indicate the number of new employees that are expected to be hired at the Project Location in each year. Note: Year 1 is the year following the Facility Operations Start Date; Year 2 is the second year following that date; Year 3 is the third, etc.

Years following Facility Operations Start Date	1	2	3	4	5	6	7	Total New Growth
Permanent Full-time	11	6	3	3	3	3	3	32
Permanent Part-time	2	1	1	1	1	1	1	8

Wage and Benefits Information

7. For all new employees at the Project Location (again, excluding Principals) expected to be hired during the three-year period following the Facility Operations Start Date, please project the following:

Average hourly wage per part-time employee: \$55.37

Hourly wage of lowest compensated part-time employee: \$30.41

Average hourly wage per full-time employee: \$45.17

Hourly wage of lowest compensated full-time employee: \$24.33

8. Generally describe all other forms of compensation and benefits that Permanent Employees will receive. Examples: healthcare, employer-contributions for retirement plans, on-the-job training, reimbursement for educational expenses, etc.

The School contributes 70% of individual health insurance coverage, matches 3% in a 401K retirement savings program, provides life insurance at no cost, participates in TransitCheck program, allows participation in 2 days of in-house professional development and ability to attend professional development seminars.

9. *Please indicate whether the Applicant or any of its Affiliates will be required to provide health coverage to its employees pursuant to the federal Patient Protection and Affordable Care Act (the "Act"). If yes, please provide an overview of the applicable requirements under the Act and an explanation of how the Applicant plans to comply with such requirements. If no, please explain why.*

Applicant currently provides health insurance to all full time employees who elect coverage and will comply with all provisions of the ACA as they come online.

10. *Is your company currently providing paid sick time to employees in accordance with the Earned Sick Time Act (Chapter 8 of Title 20 of the NYC Administrative Code) and otherwise in compliance with such law? If yes, please provide an explanation of your company's paid and unpaid sick time policy. If no, please explain why.*

Applicant currently provides paid sick time to all employees. Full time employees are entitled to 10 paid sick days per year. All part time employees are allowed 5 paid sick days per year.

Labor

The Applicant and its Affiliates hereinafter will be referred to collectively as the "Companies" or individually as a "Company." If none of the following questions apply to any of these Companies, answer "NO"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant.

1. Have any of the Companies during the current calendar year or any of the five preceding calendar years experienced labor unrest situations, including actual or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?
 Yes No *If Yes, please explain on an attached sheet*
2. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year or any the five calendar years preceding the current calendar year?
 Yes No *If Yes, please describe and explain current status of complaints on an attached sheet*
3. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings or other labor disputes during the current calendar year or any of the five calendar years preceding the current calendar year?
 Yes No *If Yes, please explain on an attached sheet*
4. Are all employees of the Companies permitted to work in the United States?
 Yes No *If No, please provide details on an attached sheet.*
 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 on an attached sheet*
5. 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 or preceding three year calendar years?
 Yes No *If "Yes," please use an attached sheet to briefly describe the nature and date of the inspection and the inspecting governmental entity. 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 any of the Companies as a consequence.*
6. Have any of the Companies incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?
 Yes No *If "Yes," please use an attached sheet to quantify the liability and briefly describe its nature. Refer to any governmental entities that have had regulatory contact with the Company in connection with the liability.*
7. Are the practices of any of the Companies now, or have they been at any time during the current or preceding five calendar years, 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 "Yes," provide details on an attached sheet. Note "discrimination" includes sexual harassment.*

Financials

1. Has **Applicant**, any **Affiliate**, or **Principal**, or any **close relative of any Principal**, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of non-discretionary benefit from any **Public Entities**?
 Yes No If Yes, please provide details on an attached sheet.
2. Has **Applicant**, or any **Affiliate** or **Principal**, or any existing or proposed occupant at the **Project Location(s)**, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA/Build NYC and/or other **Public Entities**?
 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 **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.

For questions 7 through 12, below, 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	Fax	Email	% of Revenues
n/a						

8. List major suppliers:

Company Name	Address	Contact	Phone	Fax	Email
n/a					

9. List major Funding sources (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
n/a					

10. List unions (if applicable):

Union Name	Address	Contact	Phone	Fax	Email
None					

11. List banks:

Bank Name	Address	Contact	Phone	Fax	Email	Account Type and Number
Citi		██████████	██████████		██████████	██████████

12. List licensing authorities (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
NYS Association of Independent Schools		██████████			
NYS Dept. of Health and Mental Hygiene		██████████			

Anti-Raiding

1. Will the completion of the Project result in the relocation of any plant or facility located within New York State, but outside of New York City, to New York City? Yes No

If "Yes," please provide the names of the owners and addresses of the to-be-removed plant(s) or facility(ies):

2. Will the completion of the Project result in the abandonment of any plants or facilities located in an area of New York State other than New York City? Yes No

If "Yes," please provide the names of the owners/operators and the addresses of the to-be-abandoned plant(s) or facility(ies):

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

3. 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

4. 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 3 or 4 is "Yes," please provide on a detailed explanation on a separate sheet of paper.

Certification

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant and its Affiliates, 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 applicable Agency's Board of Directors (the "Board"), in order to obtain from the Board an expression of intent to provide the benefits requested herein for the Project.

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

I certify to the best of my knowledge and belief, after due investigation, the information contained in these Application Materials is accurate, true and correct and does not contain a misstatement of a material fact or omit to state a material fact necessary to make the statements contained herein not misleading. 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 Agency's Board to reject the request made in the Application Materials. I understand that the Agency will rely on the information contained within these Application Materials in producing and publishing a public notice and convening a public hearing. If any information in these Application Materials is found to be incorrect, the Applicant may have to provide new information and a new public notice and public hearing may be required. If a new public notice and public hearing is required, they will be at the Applicant's expense.

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, and if such background check performed by the Agency with respect to Applicant or any Affiliates reveals negative information, Applicant consents to any actions that the Agency or NYCEDC may take to investigate and verify such information; that the Agency may be required under SEQRA to make a determination as to the Project's environmental impact and that in the event the Agency determines 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 of the City; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA/Build NYC may be required to disclose the Application Materials and the information contained therein (see the Disclosure Policy section of the Policies and Instructions provided to Applicant and signed by Applicant on or about the date hereof (the "Policies and Instructions")); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials.

I further understand and agree as follows:

That notwithstanding submission of this Application, the Agency shall be under no obligation to present Applicant's proposed Project to its Board for approval. If the Agency presents Applicant's proposed Project to its Board for approval, the Agency does not guaranty that such approval will be obtained. If upon presenting Applicant's proposed Project to its for approval the Agency obtains such approval, such approval shall not constitute a guaranty from the Agency to Applicant that the Project transaction will close.

That preparation of this Application and any other actions taken in connection with the proposed Project shall be entirely at Applicant's sole cost and expense. Under all circumstances, the Application Fee is non-refundable, including but not limited to the circumstance where the Agency decides, in its sole discretion, to not present Applicant's proposed project to the the Agency Board of Directors for Approval.

That each of Applicant and each of its Affiliates (collectively, the "Indemnitors") hereby releases NYCIDA, Build NYC, NYCEDC and their respective directors, officers, employees and agents (collectively, the "Indemnitees") from and against any and all claims that any Indemnitor has or could assert and which arise out of, or are related to, any Application Materials, any actions taken in connection therewith or any other actions taken in connection with the proposed Project (collectively, the "Actions"). Each Indemnitor hereby indemnifies and holds harmless each of the Indemnitees from and against any and all claims and damages brought or asserted by third parties, including reasonable attorneys' fees, arising from or in connection with the Actions. As referred to herein, "third parties" shall include, but shall not be limited to, Affiliates.

That in the event the Agency discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Agency to make such disclosure and hereby releases the Agency from any claim or action that Applicant may have or might bring against the Agency, their directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the Agency and 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.

That capitalized terms used but not defined in this Application have the respective meanings specified in the Policies and Instructions.

I acknowledge and agree that the Agency reserves its 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,

I certify that, using due care, I know of no misstatement of material fact in the Application Materials, and know of no material fact required to be stated in the Application Materials to make the statements made therein not misleading. Certified by Preparer,

This day of , 20 .

This 21 day of April, 2015.

Name of Applicant:

Name of Preparer: GATES Capital Corp.

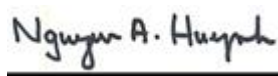
Signatory:

Signatory: Nguyen A. Huynh

Title of Signatory:

Title of Signatory: Executive Vice President

Signature:

Signature: 

Application for tax exempt bond financing and mortgage recording tax deferral through the Build NYC Resource Corp. / Not-For-Profit Bond Program
La Scuola d'Italia - Guglielmo Marconi ("La Scuola" or the "School")
\$66,000,000* (Initial Par Amount) / \$37,000,000* (Permanent Par Amount)

Background

Please provide a brief description of the Applicant's history and nature of its business, including a description of the industry, competitors, services offered, on a separate sheet.

Founded in July 1977, La Scuola d'Italia - Guglielmo Marconi (the "School" or "La Scuola") maintains and operates a nursery, elementary and secondary school in the City of New York. The School, an American / Italian bilingual and bi-curricular school, offers an international education to Italian and American families that is committed to preparing students to become citizens of the world by becoming thoroughly conversant with two cultures. Graduates attend North American as well as European Union colleges and universities. La Scuola also serves as an American / Italian cultural and community center via speakers, events, and academic / cultural exchange programs.

Proposed Project Activities

Please provide a brief overview of the entire proposed Project. If necessary break down Project activities by tax lot to describe activities at each Project Location.

The Project is a proposed \$66,000,000 bond transaction with approximately \$63,000,000 tax exempt and \$3,000,000 taxable. Proceeds of the bonds, together with other funds of the School will be used to (i) finance its existing School location at 12 E. 96th Street, New York, NY 10128, Block 1507 / Lot 63, (the "Existing Facility") of approximately 18,375 square feet located on a land parcel of approx. 2,518 square feet, (ii) finance the acquisition of a new school facility at 432 W. 58th Street, New York, NY 10019, Block 1067 / Lot 44, (the "New Facility") of approximately 102,233 square feet located on a land parcel of approx. 10,000 square feet, (iii) refinance a bridge loan whose proceeds were used to fund a security deposit for the New Facility, (iv) finance renovation, construction and soft costs at the New Facility, (v) fund capitalized interest, (vi) fund working capital and (vii) pay certain cost of bond issuance.

Please provide a brief description of how the proposed Project will affect current operations.

In the 2014-2015 school year, La Scuola educates approx. 281 students from a split campus. The pre-school and elementary school students attend classes at the 12 E. 96th Street location (La Scuola owns) and the middle and high school students attend classes at 406 E. 67th Street (La Scuola leases).

When the New Facility opens in the 2016-2017 school year, La Scuola will occupy approx. 75,000 of the 100,000 square feet available. La Scuola's New Facility will accommodate all grade levels and the split campus will be consolidated at the New Facility location. La Scuola plans to lease approx. 25,000 square feet of the New Facility to an educational not for profit for approximately 7-10 years.

Application for tax exempt bond financing and mortgage recording tax deferral through the
Build NYC Resource Corp. / Not-For-Profit Bond Program
La Scuola d'Italia - Guglielmo Marconi ("La Scuola" or the "School")
\$66,000,000* (Initial Par Amount) / \$37,000,000* (Permanent Par Amount)

At the time of the Series 2015 bond closing, La Scuola expects to have a contract in place for the sale of the Existing Facility. When the sale of the Existing Facility closes, La Scuola will use sales proceeds to pay down the Series 2015 bond par amount from approx. \$66,000,000 to approx. \$37,000,000.

La Scuola expects that construction and renovation at 432 W. 58th Street to last approx. 12 months from August 2015 to August 2016. Until renovations are complete, La Scuola will continue to accommodate students at 96th Street via a sales – leaseback or at 67th Street where it has lease and space flexibility.

Please provide a brief description of renovations / construction of the proposed Project.

At the New Facility, La Scuola plans to maintain the structural elements / skeleton of the existing building. Renovation plans include the construction of a gymnasium, cafeteria and auditorium, MEP costs (mechanical, electrical, plumbing), exterior façade upgrades and interior framing and finishes.

Please provide a brief timeline for the entire proposed Project.

May 14, 2015 – Build NYC working group kick off meeting at 432 W. 58th Street

June 30, 2015 – Close Series 2015 Bond

August 2015 – Commence New Facility Renovations

February 2015 – Sale of Existing Facility closes and sales proceeds used to pay down Series 2015 bond par amount from approx. \$66 million to approx. \$37 million.

August 2016 – New Facility renovations complete

September 2016 – La Scuola operations commence at New Facility

617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Name of Action or Project:			
Project Location (describe, and attach a location map):			
Brief Description of Proposed Action:			
Name of Applicant or Sponsor:		Telephone: [REDACTED]	
		E-Mail: [REDACTED]	
Address:			
City/PO:		State:	Zip Code:
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO
			YES
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			NO
			YES
3.a. Total acreage of the site of the proposed action? _____ acres			
b. Total acreage to be physically disturbed? _____ acres			
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ acres			
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)			
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____			
<input type="checkbox"/> Parkland			

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A
b. Consistent with the adopted comprehensive plan?			
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____ _____	NO	YES	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
b. Are public transportation service(s) available at or near the site of the proposed action?			
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?			
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____ _____	NO	YES	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____ _____	NO	YES	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____ _____	NO	YES	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places? b. Is the proposed action located in an archeological sensitive area?	NO	YES	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____	NO	YES	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	
16. Is the project site located in the 100 year flood plain?	NO	YES	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input type="checkbox"/> NO <input type="checkbox"/> YES b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: <input type="checkbox"/> NO <input type="checkbox"/> YES _____ _____	NO	YES	

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____ _____ _____	NO	YES
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____ _____	NO	YES
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ _____ _____	NO	YES
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: _____		Date: _____
Signature: _____		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept “Have my responses been reasonable considering the scale and context of the proposed action?”

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?		
2. Will the proposed action result in a change in the use or intensity of use of land?		
3. Will the proposed action impair the character or quality of the existing community?		
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?		
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?		
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?		
7. Will the proposed action impact existing: a. public / private water supplies? b. public / private wastewater treatment utilities?		
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?		
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?		

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?		
11. Will the proposed action create a hazard to environmental resources or human health?		

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered “moderate to large impact may occur”, or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

- Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
- Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

_____	_____
Name of Lead Agency	Date
_____	_____
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
_____	_____
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)