NEW YORK CITY HOUSING AUTHORITY
Department of Housing Finance and Development

REQUEST
FOR
PROPOSALS

For A

DEVELOPMENT TEAM

For the

REDEVELOPMENT
OF
UNIVERSITY AVENUE CONSOLIDATED
VACANT SITES

2/10/2002

Proposal Contact Person:
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Proposal Submission Date is: _____, 2002 by 4:00 PM

EXECUTIVE SUMMARY

The New York City Housing Authority ("**NYCHA**") is a state chartered, public benefit corporation created in 1934. It is the largest public housing authority in the United States, with approximately 15,000 employees. NYCHA owns, operates or maintains more than 181,000 apartments in 346 developments on over 2,500 acres of land throughout the five Boroughs of the City of New York. NYCHA provides decent, affordable public housing for approximately 535,000 residents, and also to 77,000 other families through the federal Section 8 Housing Choice Voucher Program.

This Request For Proposals ("**RFP**") seeks proposals from interested Developers (the "**Proposer**") for the Redevelopment of University Avenue Consolidated ("**UAC")** ("**Redevelopment Work"**), located between West 174th Street and Burnside Avenue in the University and Morris Heights neighborhoods of the Bronx. UAC is a scattered site development, comprised of 1,168 units in 26 five and six-story elevator pre-war buildings, make the development atypical of NYCHA housing stock, which is comprised largely of contiguous, high-rise buildings constructed in the 1960s and 1970s on super-blocks. All of the buildings are in need of substantial rehabilitation.

This solicitation is for a qualified affordable housing developer to redesign, finance, rehabilitate, own and manage the improvements made in four vacant buildings and on one vacant lot ("**Vacant Sites**") resulting in, a minimum of 200 and a maximum of 240, mixed-finance public housing rental units and appurtenant ground floor retail space at:

1669 –75 University Avenue, Block 2878, Lot 90;
1613-15University Avenue, Block 2878, Lot 15;
1611 University, Block 2878, Lot 17;
1647 –55 Macombs Road, Block 2878,Lot 19; and
1605 University Avenue, Block 2876, Lot 194.

In addition, the Developer will be responsible for the improvements of a to-be-acquired vacant parcel of land located at the intersections of University Avenue, Andrews Avenue and West 174th Street ("**Triangle Site**"), Block/Lot -----, which will result in a landscaped public square that will be turned over to the Parks Department for management.

A Proposer will be selected based upon its team members' qualifications, financial and management expertise, willingness to employ M/WBE's and NYCHA Residents in the Redevelopment Work, and their experience with HOPE VI and Mixed-finance Redevelopments.

Proposals must be received by NYCHA no later than 4:00 PM on _____, 2002. Proposers should refer to Section 4 of this RFP for details on the Proposal packaging and submission requirements. A Proposers' conference will be held on _____, 2002 at NYCHA's Department of Housing Finance and Redevelopment, 250 Broadway, 24th Floor Conference Room, New York, New York.

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Exhibit B- Proposal Summary
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ATTACHMENTS:

Attachment A- CD #5 Profile
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1. GENERAL INFORMATION

The following information is provided to prospective Proposers in an effort to give an overview of the community and neighborhood that UAC is located in; and HUD's Mixed Finance approach to developing new public and affordable housing along with HUD's cost guidelines.

1.1 The University Avenue Community

UAC is a federally subsidized public housing development consisting of 26 five to six-story, elevator buildings containing 1,168 apartments. Originally constructed between 1900-1925, the buildings are clustered in five different locations within the boundaries of the University and Morris Heights neighborhoods of Bronx Community District Number 5 **("CD 5")**, between West 174th Street and West 179th Street. The total population for CD 5 from 2000 Census Data is 137,357, which is a 16 percent increase from 1990 (118,435). Population increased by 9.7 percent from 1980 to 1990. The population increase was fueled by an increase in the number of people of Hispanic origin, which increased by 66 percent from 1980 (51,056) to 2000 (84,564). This increasing population trend over the last twenty years is noteworthy, because the decade between 1970 and 1980 saw a decrease in population by 12.2 percent. Despite a 27 percent increase in population over the twenty-year period from 1980 to 2000, the total number of housing units only increased by 11 percent over the same time period. Public health indicators are positive for CD 5: the birth, death and infant mortality rates decreased from 1990 to 1998. Approximately 47 percent of the population is on some form of income assistance. The primary land uses in the area are multi-family residential (36 percent), 1-2 family residential (14 percent), mixed residential and commercial (9 percent).

Mid-rise brick and/or masonry pre-war buildings are typical of the area, with the exception of a series of colorful vinyl sided townhouses, which line West 175th Street adjacent to 1615 University Avenue. The townhouses are approximately ten years old and are set back to allow for front pad parking. A tree-lined mall exists between the four lanes of University Avenue. The neighborhood public library is being renovated and expanded, and a public intermediate school is located nearby.

The neighborhood is well served by a variety of businesses, which occupy the ground floors of the buildings along University Avenue. A supermarket is located at University Avenue and West 176th Street, and a few large chain stores have recently moved into the area, including Rite Aid, McDonalds and Chase Manhattan Bank.

The area is also well served by public transportation, with bus routes along University Avenue between Riverdale and the George Washington Bridge (BX 3), and to the subway on Jerome Avenue (BX 36). Three bus lines, BX 13, BX 35 and BX 11 run in an east/west direction along the Edward L. Grant Highway.

All five parcels are located in an R7-1 zoning district. For the purposes of zoning, the buildings are considered existing non-complying with bulk, and non-conforming with the commercial uses, but the zoning calculations for these existing conditions must be delineated for the purposes of City Department of Buildings filing. The buildings do not all fit within the height factor or quality housing zoning, and the buildings have been "grandfathered" as "existing non-complying" in terms of bulk.
(**See Attachment B**, **Site Maps and Photographs of UAC and Surrounding Neighborhood**.)

1.2 **UAC- Vacant Sites**

NYCHA acquired and rehabilitated the UAC buildings between 1985 and 1989, which included the replacement of all structural members. However, all of the buildings have since fallen into disrepair, and require some degree of rehabilitation. Parking is currently accommodated on street, as the UAC buildings have no on-site parking lots. Non-dwelling spaces and community facilities on the UAC properties include the management office, two laundry rooms and four community spaces, each of which is assigned to a specific user group. Due to the irregularly shaped lots, there is virtually no usable open space on-site.

There are four vacant buildings and one vacant lot, which comprise the Redevelopment Work. General information regarding the sites is provided below. (See **Site Maps, etc., Attachment A**.)

1613-15 University Avenue:
Block 2878; Lot 15
This is a 5-story elevator building with a gross floor area of 47,534 square feet, and a lot area of 10,650 square feet. A laundromat and a variety store occupy 3,688 square feet of commercial space on the ground floor. There are thirty-one vacant dwelling units (5 – 1BR, 17 -2BR, 5 -3BR, 4 – 4BR). The FAR is 3.99.

1611 University Avenue:
Block 2878; Lot 17
This is a 5-story elevator building with a gross floor area of 36,615 square feet, and a lot area of 8,250 square feet. A dry cleaner and a bodega occupy 3,144 square feet of commercial space on the ground floor. There are twenty-one vacant dwelling units (4- 1BR, 9- 2BR, 8- 3BR). The FAR is 3.83.

1647 –55 Macombs Road:
Block 2878; Lot 19
This is a 6-story elevator building with a gross floor area of 65,240 square feet, and a lot area of 16,206 square feet. There are forty-eight vacant dwelling units (9- 1BR, 28 –2BR, 10 –3BR, 1 –4BR). The FAR is 3.98. The ground floor contains a community space, which is occupied by a not-for-profit job counseling and placement organization under contract with NYCHA to assist the residents of UAC.

1605 University Avenue (vacant lot):

Block 2876; Lot 194

This is a fenced 8,250 square foot vacant lot, with some paved area and benches.

The current unit distribution of the UAC Sites is described in the chart below. Note that all buildings have elevators.

1625 University Avenue (Triangle Site)

Block Lot

NYCHA is in the process of acquiring the Triangle Site, which has been illegally used as a parking lot. The Department of Buildings held a hearing to cure the zoning violation, which resulted in the padlocking of the parcel on March 7, 2002. The lot is no longer being used for vehicle storage. The improvement of the Triangle Site into a landscaped green-space will greatly enhance UAC.

Existing Bedroom Count and Retail Space

LOCATION	**EXISTING BEDROOM COUNT**					**Retail**	
	Total Units	**1BR**	**2BR**	**3BR**	**4+BR**	**Ground Floor-Retail (SF)**	**STORIES**
1669-75 University Avenue	80	26	24	26	4		5
1613-15 University Avenue	31	5	17	5	4	3,688	6
1611 University Avenue	21	4	9	8		3,144	6
1647-55 Macombs Road	48	9	28	10	1		5
1605 University Avenue *							
Total:	180	44	78	49	9	6,832	5

ADD A PARAGRAPH ON THE VACANT LOT AND A PARAGRAGH ON THE TRIANGLE SITE.

1.3 **HUD's Mixed-Finance Approach**

The Redevelopment Work at the UAC- Vacant Sites will be implemented under HUD's Mixed-Finance Interim Rule for Public Housing. This interim rule permits public housing authorities to: (i) allow the development of housing that include non-public housing units in addition to public housing units; (ii) enter into partnership arrangement with non-profit and for-profit private developers to own the mixed-finance Redevelopment; and (iii) transfer operating and capital subsidies to public housing units.

1.4 Safe Harbors and TDC Limits

For all Mixed-Finance Redevelopment Work undertaken by a Developer, HUD has set safe harbors and cost limits. The standard fees structures are highlighted below. For additional information, rules and restrictions refer to **Attachment C, HUD's Safe Harbors**.

In addition, NYCHA has established safe harbors for Cost Contingency, Working capital Account, Operating and Replacement Reserve Accounts, Vacancy Rates and Trending Rates.

Developer's Fee

The Developer's fee ("**Developer's Fee**") shall not exceed nine percent (9%) of the Total Redevelopment Costs, net of the following:

a. All third-party costs paid by NYCHA under contracts entered into directly by NYCHA and third parties, which costs will not be reimbursed to NYCHA (e.g., relocation costs);
b. The Developer's Fee;
c. All development reserve accounts, regardless of how characterized, including, but not limited to, Working Capital, replacement reserves and operating reserves; and
d. Any syndication or partnership expenses.

Contractor's Fee

The Contractor's fee ("**Contractor's Fee**") is the fee charged by the Contractor, which may not exceed 14% of the total costs of labor and materials of the Redevelopment Work. The following percentage allocations of the Redevelopment Work Contractor's Fee should be adhered to: 2% for overhead; 6% for profit; and 6% for General Conditions.

Management Fee

The maximum allowable management fee will be 6% of the effective gross income.

TCC and TDC

HUD has established cost limits for the use of federal funds used in the construction of residential units based upon the geographic location of the housing authority, the size of the unit and the type of construction, (i.e., detached/semi-detached, walk-up, row house,

elevator building, etc.). The costs do not include environmental site-remediation work or demolition costs. The 2001 HUD cost limits by unit size, for Housing Costs Caps ("HCC") and Total Redevelopment Costs ("TDC") for New York City, for an elevator building, are shown below.

	HCC	TDC
One Bedroom Unit	$ 77,666	$124,265
Two Bedroom Unit	99,856	159,770
Three Bedroom Unit	133,141	213,026
Four Bedroom Unit	166,427	266,283
Five Bedroom Unit	188,617	301,787

(See **Attachment D, HUD Policy Alert: Frequently Asked Questions on HUD Total Redevelopment Cost and Housing Cost Cap Limits**.)

NYCHA Required Construction Contingency

May not exceed 5% of the Total Construction Cost.

NYCHA Required Working Capital

Working Capital may not exceed 2% of the Total Redevelopment Cost. Working Capital funds may be used to fund initial operating deficits, supplemental management fees and marketing expenses, and the purchase of maintenance and other equipment.

NYCHA Operating Reserve Account (“ORA”)

A minimum of three percent (3%) of annual gross rents must be deposited into an ORA annually. The ORA may be partially capitalized at the time of the permanent loan closing in lieu of future annual contributions.

NYCHA Required Replacement Reserve Account (“RRA”)

An RRA should be funded at $360 per unit per year. Reduced contributions will be considered if the RRA is partially capitalized at the time of the permanent loan closing or if a detailed Life-Cycle Cost Analysis has been provided to and approved by NYCHA.

NYCHA Required Vacancy Rate

Vacancy rates of 3% for NYCHA Units shall be used.

NYCHA Required Trending Rates

Operating expenses are to be trended at a rate no greater than 4% per year. Income may be trended at a rate no greater than 3% per year.

2. SCOPE OF WORK

The Developer and its team members will be responsible for the planning, design, demolition, financing and construction involved in the Redevelopment Work of UAC-Vacant Sites.

2.1 The Redevelopment Work

ADD A SECTION HERE DESCRIBING IN DETAIL ALL OF THE SCOPE OF WORK. INCLUDE THE FOUR VACANT BUILDINGS, THE VACANT LOT/NEW BUILDING AND THE TRIANGLE SITE.

2.2 Financing

Capital Subsidy

NYCHA has dedicated the following funds for the Redevelopment efforts at Vacant Sites:

With the exception of financing derived from the NYCHA, the successful Proposer is responsible for securing financing that is sufficient to cover the Total Redevelopment Costs ("**TDC**") for the Redevelopment Work at Vacant Sites. The revitalization effort may require multiple financing sources, including but not limited to: private lenders, tax-exempt private activity bonds and the proceeds from the syndication of Low Income Housing Tax Credits ("**LIHTC**").

Operating Subsidy

NYCHA will provide Operating Subsidy for all public housing units in Vacant Sites. Pursuant to Section 35 of the Act, NYCHA will provide Operating Subsidy to the Developer for the units reserved exclusively for NYCHA Residents. Operating Subsidy will be allocated by NYCHA to the Developer in an amount equal to the difference between operating expenses and the rental income derived from the NYCHA Residents. The Developer will maintain and operate all on-site units in the towers in accordance with all applicable public housing requirements for the 40-year term of the Initial Occupancy Restriction Period. Upon the expiration of the 40-year term, NYCHA may provide Operating Subsidy for an additional ten-year term under the Extended Occupancy Restriction Period. Neither HUD nor NYCHA can guarantee the allocation of Operating Subsidy; it is subject to annual appropriations from Congress.

2.2 NYCHA's Role

Site Control

NYCHA currently owns the Vacant Sites. Ownership of the ReRedevelopment of the UAC- Vacant Sites will be conveyed to the Developer subject to the terms of the Ground Lease(s).

Environmental Review

The Authority is responsible for the environmental review of the HOPE VI UAC Revitalization Plan in compliance with the State Environmental Quality Review Act ("**SEQR**"). NYCHA will hire an environmental firm to conduct the Environmental Assessment Survey, (EAS). The rehabilitation of the four vacant buildings has beed classified as a TYPE II ACTION; the construction of a new building on the Vcacnt Site has been classified as an UNLISTED ACTION. Any hazardous materials discovered during the environmental assessment will be remediated by NYCHA in compliance with all environmental laws and regulations.

Design Reviews

NYCHA will review all design work in compliance with NYCHA's Design HAND Book (Refer to **Attachment E, Design HAND Book.)** The Design HAND Book describes in detail site and building design criteria, including energy-efficiency standards. NYCHA will conduct Schematic Document, Design Redevelopment Document and Construction Document reviews for the Redevelopment Work at UAC- Vacant Sites.

HUD Approvals

To receive capital and operating subsidies from HUD, NYCHA must submit a Mixed-Finance Proposal along with the following evidentiary documents to HUD for review and approval: Ground Lease, Conditional Funding Commitment, Redevelopment Agreement, Declaration of Trust, Regulatory and Operating Agreement, Mortgage and Note, Management Agreement, Mixed-Finance Tenant Lease Agreement and NYCHA's Cooperation Agreement with New York City to provide PILOT (Payment in Lieu of Taxes).

Construction Inspections

The Redevelopment Work will be inspected daily during construction by NYCHA, or its consultants.

Establishment of a Site-Based Waiting List for NYCHA Residents

NYCHA staff will create a Site-Based Waiting List all public housing units. All UAC residents in good standing, who were relocated from the vacant buildings will have first priority to return to the Redevelopment of the UAC- Vacant Sites. Second priority will be given to households in good standing, currently living in the UAC community in NYCHA Redevelopments. Finally the site-based list will be drawn from NYCHA's

general waiting list, with priority given to households indicating The Bronx as their first preference.

Households in good standing, means that that there are no pending termination actions against the lessee or family members.

Asset Management

The Department of Asset Management and Private Market Operations ("AMAPMO") administers NYCHA's Private Management Program. NYCHA currently has over 4000 public housing units under private management. It is anticipated that the Developer, or their management agent will privately manage the Redevelopment of the UAC-Vacant Sites. AMAPMO provides oversight and annual housing inspections all privately managed NYCHA property.

2.3 The Development Team's Role

Design Work

The Developer shall undertake the design work in compliance with NYCHA's Design HAND Book (Refer to **Attachment E, Design HAND Book.)** The Design HAND Book describes in detail site and building design criteria, including energy-efficiency standards as well as all design submission requirements. The Developer and its Team (architects, engineers, and other Subcontractors) should ensure that they are completely familiar with the Design HAND Book's standards and guidelines prior to submitting a Proposal.

The Developer will be responsible for ensuring that the Design Work is completed on time and within budget for each of the four phases of Redevelopment Wok for Vacant Sites.

Redevelopment Work

The Developer must undertake the following activities:

- Oversee and conduct interior demolition of the four vacant buildings;
- Redesign, reconfigure and rehabilitate the four vacant buildings;
- Design a new six-story masonry residential building with a minimum of 25 units and an elevator;
- Design and develop **8,000??** square foot of neighborhood commercial/retail space;
- Incorporate architectural design elements characteristic of housing stock in the broader community into the design of the new building;

- Promote public space and defensible space; design landscaping enhancements, including such amenities as streetscape design improvements, lighting, security, various plantings, and parking;

- Develop and adhere to a detailed budget and timeline for all Redevelopment Work; and

- Work closely with NYCHA and the residents of UAC community on the Redevelopment Work for the UAC- Vacant Sites.

Management and Lease-Up

The Development Team must employ a Management Agent to carry out some or all of the management and maintenance functions. The Proposer must demonstrate how the qualifications and experience of the proposed Management Agent will ensure the successful management of the property. Innovative management partnerships that involve Residents, NYCHA, neighborhood organizations or others are encouraged, but must demonstrate current professional excellence and the likelihood of sustained high performance. Specific management responsibilities will include the periodic certifications and re-certifications of family income and composition of the NYCHA Residents.

Priorities for leasing up at the three towers shall be given as follows: Ffirst priority will be awarded to former UAC Residents who were temporarily relocated from Tower #4. Second priority will be given to UAC Residents who were temporarily relocated to facilitate Towers1, 2 and 3's rehabilitation. Remaining vacancies will be filled used a Site-Based Waiting List created by NYCHA. Households drawn from this list will be grouped into the following tiers:

a. 40% for Households earning up to 30% AMI;
b. 30% for Households earning between 31% and 50% AMI; and
c. 30% for Households earning between 51% and 80% AMI.

All dwelling units will be subject to annual inspections in accordance with all NYCHA standards and procedures and applicable maintenance and code requirements. Such inspections will be conducted in connection with the required annual re-certification of rent. The Developer or its Management Agent must cooperate with NYCHA and HUD's housing inspectors.

2.7 Developer's Contractual Obligations

Conditional Designation and Redevelopment Agreement

The selected Proposer will receive notice of its Conditional Designation from NYCHA approximately 90 days after the Submission Deadline. Within approximately four

months thereafter, the Developer must enter into a Redevelopment Agreement with NYCHA and provide an irrevocable letter of credit ("**LOC**") in the amount of ten percent of the Total Redevelopment Costs and such other documents as may be required by the terms of the Redevelopment Agreement. The Redevelopment Agreement will, among other things:

a. establish the relationship between the parties with respect to the implementation of the Proposal, including the rights and liabilities (financial and otherwise) of the parties;

b. set forth a timetable for implementation and completion of the Redevelopment Work, including the commitments of the Developer with respect to the Redevelopment Work;

c. detail the agreed-upon scope of work; and

d. detail the responsibilities of the Developer with respect to the Redevelopment, financing and management of Vacant Sites.

Requirements of Lenders and/or other providers of funding must be reviewed and approved by NYCHA.

NYCHA reserves the right to select another Proposer if the Conditionally Designated Developer fails to enter into a Redevelopment Agreement, fails to provide documents requested by NYCHA or otherwise fails to cooperate with NYCHA as may be required by NYCHA in its sole discretion. Final Designation of a Developer will occur upon execution of a Redevelopment Agreement between NYCHA and the Developer.

<u>Environmental Laws and Regulations</u>

The Developer must ensure compliance with the following laws and regulations must be adhered to:

a. 24 CFR Part 35 (Lead-Based Paint Poisoning and Prevention in Certain Residential Structures);
b. 24 CFR Part 50 (NEPA's Environmental review procedures);
c. Section 35 of the Act;
d. 40 CFR Part 15 (All implementing regulations promulgated by the Environmental Protection Agency); and
e. NY Public L. 94-163 (All mandatory standards and policies relating to energy efficiency contained in the New York State energy conservation plan issued in compliance with the Energy Policy and Conservation Act, and any other applicable laws or amendments thereto).

Ground Lease

NYCHA will execute Ground Lease(s) with the Developer for the Vacant Sites at the Construction Loan Closing. The Ground Lease will be for terms of up to 50-years, or as NYCHA determines to be in its best interest. Vacant Sites will be delivered in "as-is" condition. Annual rents of one dollar will be collected.

The Ground Lease will be subject to the federal Department of Housing and Urban Redevelopment ("**HUD**") regulations for the disposition of public housing in accordance with Section 18 of the United States Housing Act of 1937 ("**Act**"). The Sites will also be subject to a Declaration of Trust against the Vacant Sites in favor of HUD. The Ground Lease will include occupancy restriction periods, in accordance with HUD's Mixed-Finance regulations, consisting of an initial occupancy restriction period of 40 years and an extended occupancy restriction period of 10 years.

Performance Bond or Completion Guarantee

In such amounts and on such conditions as may be required by Lenders or in NYCHA's discretion, to ensure that the Redevelopment Work is completed in its entirety.

Wage and Labor Compliance

The Developer is responsible for complying with and ensuring the Redevelopment Work Contractor's and its Subcontractor(s)' compliance with all applicable labor and wage rate laws and regulations affecting the Redevelopment Work. Moreover, the Developer, the Contractor and all Subcontractors must pay the **Davis Bacon Wage Rates**, (see **Attachment F)**, for any construction contracts.

NYCHA Equal Employment Policy

It is the policy of NYCHA to ensure that all persons and entities have an equal opportunity to benefit from participation in the Redevelopment Work contemplated herein, without regard to the race, color, religion, military service, national origin, sex, age, disability, marital status or sexual orientation. Further, NYCHA will seek to achieve maximum participation of M/WBE's, local residents and local resident-owned business in the Redevelopment Work contemplated herein.

Regulatory and Operating Agreement

Subsequent to the execution of a Ground Lease(s) for Vacant Sites, the Developer and NYCHA must enter into a Regulatory and Operating Agreement, in accordance with Section 35 of the Act. Said agreement is subject to HUD approval.

The Regulatory and Operating Agreement shall include the following provisions:

a. Operating Subsidy amounts will be allocated yearly to the Management Entity and shall be determined by subtracting the anticipated rental income derived from NYCHA Residents from the Redevelopment Worked operating expenses, exclusive of debt service;
b. The Redevelopment Work amount of the monthly Operating Subsidy per unit for the first year and the methodology to determine annual increases in the monthly Operating Subsidy per unit for subsequent years;
c. The Developer must agree to maintain and operate 100 percent of the dwelling units as NYCHA Units in accordance with all applicable federal and state public housing requirements for the 40 year term of the Initial Occupancy Restriction Period and the 10 year term of the Extended Occupancy Restriction Period, or until the property is sold to a Resident-owned entity;
d. Dwelling units designated for NYCHA Residents will not be disposed of without the prior written approval of NYCHA during the Initial Occupancy Restriction Period and the Extended Occupancy Restriction Period;
e. In the event of a foreclosure against the lessee's (Developer's) interest in the Ground Lease, or in the event of any other adverse action brought against the lessee, NYCHA will have the right of first refusal to acquire that interest; and
f. The Developer shall also be subject to the Rent Stabilization Law, Article XI of the PHFL, resale restrictions, a note, mortgage and covenants running with the land.

Affirmative Action Plan

The Developer will be required to comply with all applicable equal opportunity and affirmative action regulations and must submit an acceptable **Affirmative Action Plan**, **Exhibit H**. The Affirmative Action Plan must provide for minority and women-owned business participation in the Redevelopment process.

NYCHA is committed to achieving diversity within the Developer's team, in the award of contracts and in the purchase of goods and services throughout all aspects of the Redevelopment Work. Diversity may be achieved in several ways: through the use of M/WBEs or joint ventures with M/WBE participation; and through the participation of minority and female individuals.

In reviewing the diversity within the team, NYCHA will give weight to the extent to which M/WBEs and/or minority/female individuals will have control over aspects of the management of the Redevelopment Work, including in the selection of key personnel, negotiation of contracts, and management of relationships with NYCHA and HUD.

Section 3, Resident Employment Program (REP) and M/WBE Plans

All construction contracts entered into by the Developer in amounts in excess of $100,000, but less than $500,000, will include a requirement that, to the maximum extent feasible, opportunities for training and employment of lower income residents in the area of the Redevelopment Work will be provided pursuant to Section 3 of the Housing and Urban Redevelopment Act of 1968 and implementing regulations set forth in 24 CFR Part 135. NYCHA will look favorably on Proposals that include construction job training for NYCHA Residents, and/or provide trade apprenticeships, require the Redevelopment Work Contractor and Subcontractors to use Resident-owned businesses for a portion of the Redevelopment Work, and/or to NYCHA Residents in setting up businesses that can participate in some aspect of the Redevelopment Work.

The following goals must be satisfied, to the greatest extent feasible: 30 percent of the aggregate number of new hires are Section 3 residents for all contracts, regardless of the contract amount, or at least ten percent of the total dollar amount of all Subcontracts for Redevelopment Work are awarded to Section 3 Business Concerns and at least three percent of the total dollar amount of all other Section 3 covered contracts. The Proposer shall use the format included in **Exhibit G** to complete their Section 3, REP and M/WBE Plans.

All construction contracts entered into by the Developer having a total value of $500,000 or more are subject to the requirements of NYCHA's REP. With respect to all such construction contracts, the Redevelopment Work Contractor shall, and is hereby required to, expend not less than 15 percent of the total labor cost component (including fringe benefits) of the total contract value of the work in accord with the following hiring priority: (i) to unemployed legal residents of UAC; (ii) to unemployed NYCHA Residents who are participating in NYCHA-sponsored or NYCHA-supported training/apprenticeship programs, or who have had relevant training for the position(s) sought to be filled by the Contractor; (iii) to unemployed NYCHA Residents of nearby NYCHA public housing Redevelopments within Community District #16; and (iv) to unemployed NYCHA Residents of NYCHA public housing Redevelopments within the Borough of Brooklyn, and who, in each case, have relevant training or experience for the position(s) sought to be filled.

3 PROCUREMENT PROCESS

NYCHA will evaluate each Proposal according to the Threshold Criteria and Evaluation Criteria outlined in this section, including references and any other information regarding the Proposer's qualifications available to NYCHA.

NYCHA may disapprove the inclusion of any or all members of the Proposer's Redevelopment Team and/or require the selected Proposer to substitute other individuals or firms.

Submission of a Proposal signifies that the Proposer is aware of, and agrees to abide by, all the terms and conditions of this RFP, including those incorporated by reference. The Proposer must indicate in its Proposal the nature of any exception it may take with any of

the terms and conditions of this RFP. The evaluation of a Proposal may be affected by any such exception taken by the Proposer with any part of this RFP.

3.1 Threshold Criteria

The Proposal must meet the following Threshold Criteria in order to be reviewed, scored and ranked by the Evaluation Committee:

1. The Proposal must be complete and include all materials, Exhibits, tabbed materials and supporting documentation required under this RFP;

2. The Proposer must have completed at least two Redevelopment Works similar in size and scope to the Redevelopment Work described in this RFP within the ten-year period prior to the Submission Deadline for this RFP;

3. The proposed Redevelopment Work Architect must have at least seven years' experience in the provision of design services for residential Redevelopments similar in size and scope to the Redevelopment Work described in this RFP;

4. The proposed Redevelopment Work Contractor must have at least seven years' experience in the provision of construction services for residential Redevelopments similar in size and scope to the Redevelopment Work described in this RFP;

5. The proposed Management Agent must have at least seven years' experience in the provision of property management services for residential Redevelopments similar in size and scope to the Redevelopment Work described in this RFP;

6. The Proposer must provide audited financial statements for the three most recent fiscal years;

7. There must be no adverse findings against the Developer or any person or entity associated with the Developer that would prevent NYCHA from conveying the Redevelopment Work to the Developer. Such adverse findings include, but are not limited to:

    a. Arson conviction (or pending cases);
    b. Harassment conviction (or pending cases);
    c. Mortgage arrears or mortgage foreclosure proceedings within the previous seven-year period;
    d. Inrem foreclosure of any property owned by a Principal of the Proposer at any time or substantial real estate tax liens;
    e. Substantial real estate tax liens;
    f. Defaults under any government-sponsored program or in connection with any publicly- assisted Redevelopment Works;

g. Conviction for fraud, bribery or grand larceny;
h. Record of substantial City Building Code violations or related litigation brought by enforcement agencies against any property owned by the Proposer or by any entity or individual that comprises the Redevelopment Team, including the Management Agent; and/or
i. Prevailing wage violations.

3.2 Evaluation Criteria

Proposals that meet all Threshold Requirements, based on NYCHA's sole judgment and discretion, will be evaluated, rated and ranked by the Evaluation Committee according to the Evaluation Criteria described in this section. The criteria for scoring Proposals is based upon a one hundred (100) point scoring system covering six evaluation categories. The minimum point score that a Proposal must receive in order to be considered for further review is 50 points.

1. Developer's Experience (Maximum-20 points; Minimum-10 points)

The Evaluation Committee will consider the number, size, type and scale of Redevelopment Works built, and the roles played on each Redevelopment Work by the Developer and Contractor. NYCHA will give greater weight to experience with affordable housing Redevelopment Works, similar in size and scope to the proposed Work, in which the Proposer was an at-risk developer. NYCHA will also consider quality of construction, history of completing Redevelopment Works in a timely manner and within budget, and satisfactory handling of punchlist items and tenant complaints.

The Evaluation Committee will consider a minimum of three outside references and other information provided by the Proposer or available to NYCHA indicating the Proposer's performance record. A pattern of poor performance on multiple Redevelopment Works may disqualify a Proposer. In addition, Proposers must demonstrate an ability to work cooperatively and successfully with government agencies, community boards and neighborhood organizations.

In the event the Proposer is a joint venture, it must delineate the areas of responsibility and expertise of each joint venture partner, as well as the affiliation of all personnel to be assigned to the Redevelopment Work. NYCHA will consider whether or not members of the joint venture have successfully completed Redevelopment Works of similar size and scope together in the past.

2. Developer's Financial Capacity (Maximum-20 points; Minimum-10 points)

The Evaluation Committee will evaluate each Proposer's audited financial statements, bank references, and current commitments. NYCHA will also assess the Proposer's capacity to secure financing, meet a construction lender's equity

requirements, absorb any cost overruns, and complete the Redevelopment Work on a timely basis. Any history of the filing of a bankruptcy petition or being the subject of involuntary bankruptcy proceedings will also be considered.

3. Architect's Experience (Maximum Points– 20; Minimum Points – 10)

The Evaluation Committee will evaluate the Architectural firm's past affordable housing design experience with regards to similar work in size, complexity and especially with regards to work performed at other HOPE VI sites. The Committee will also review the firm's recommendations for a proposed design solution, the firm's description of its ability to provide life cycle cost analyzes, construction oversight and due diligence in completing the Scope of Work for each phase on time and within budget.

4. Contractor's Experience (Maximum-20 points; Minimum-10 points)

The Evaluation Committee will evaluate the Contractor(s)' past experience in building affordable housing and it particular its experience in rehabilitating existing mid-rise towers and working on other HOPE VI sites. The Committee will also evaluate the Contractor(s)' current workload, and its commitment to complete the Scope of Work on time and within budget.

5. Management Experience (Maximum-10 points; Minimum-5 points)

The Evaluation Committee will assess the Proposer's experience, or its proposed Management Agent's experience in managing (a) affordable housing units with multiple financing sources and (b) Redevelopment Works of similar size and residential population. A Proposer that can provide a letter of support from a tenant association or tenants that they are satisfied with the way the Proposer or its Management Agent manages their buildings will be scored more favorably.

A Proposer who outlines a viable security plan in its Proposal Summary and describes effective security initiatives used at other properties will be scored more favorably.

6. REP/Local Involvement (Maximum-10 points; Minimum-5 points)

The Evaluation Committee will evaluate the Proposer's intention and ability to involve the local community in the decision making process. Proposals that articulate specific strategies to train and/or hire NYCHA Residents and NYCHA Resident-owned businesses or residents and businesses from the local community for the Redevelopment Work will be scored favorably. The Proposer's ability to articulate a meaningful strategy to ensure M/WBE participation through its Affirmative Action Plan and realization of the REP and Section 3 program goals will be evaluated as follows:

a. Specific Strategies to hire and/or train NYCHA Residents (Maximum- 7; Minimum-3 points); and
b. Demonstration of community partnerships. (Maximum- 3; Minimum-2 point)

3.3 Interview and Selection Process

NYCHA staff and members of the UAC Tenant Association will interview the highest ranked Proposers. The Proposer will be asked to submit their costs including the Architect's fee, Developer's fee, Contractor's overhead and profit and the annual Management fee at the time of the interview. At the interview the Proposer will be scored on the following Topics:

- Ability to start within two weeks of selection, including the availability of key Team members, 10 Points;
- Willingness to make guarantees to keep the Total Redevelopment Cost within a pre-agreed budget at the time Schematic Design Documents are approved by the Authority, 10 Points;
- The allocation of risk to be shared between the Developer and the Authority, 10 Points; and
- Any special programs the Redevelopment Team is willing to establish that will include the employment of Residents in the entire Redevelopment process, not just the construction work, 10 points.

The point score for each Proposer interviewed will be added to their score achieve during the Proposal evaluation process, to create a total point score for the selection process.

Final selection of a Proposer will occur after the Authority completes a successful negotiation for costs and services with the highest ranked Proposer. If a successful negotiation for costs and services cannot be reached with the highest ranked Proposer NYCHA will initiate negotiations with the next highest ranked Proposer, and so forth, until a successful negotiation of costs and services is achieved that will provide the greatest benefit to the Authority.

4. SUBMISSION REQUIREMENTS

4.1 Submission Deadline

Proposals must be received by NYCHA no later than 4:00 P.m. on_____ 2002, (the "Submission Deadline").

4.2 Tour of the Site

A tour of the UAC HOPE VI Revitalization Area and Vacant Sites will be conducted on_____ 2002, beginning at 10:00 AM. Proposers will meet at 10:00 AM at the UAC Management Office located at 1765 Prospect Place, Brooklyn, New York.

4.3 Proposers' Conference

A Proposers' Conference will be held on_____, 2002, at 1:00 PM in the 24th floor Conference Room, 250 Broadway, New York, NY 10007. Proposers are strongly encouraged to attend the Proposers' Conference(s).

4.4 Communications

Questions and inquiries regarding this RFP will be accepted in writing until 4 PM, _____, 2002, and should be submitted by hand delivery or mail to Joann Maldonado, UAC Team Leader, New York City Housing Authority, Department of Housing Finance and Redevelopment, 250 Broadway, 24th Floor, New York, NY, 10007, or by fax to Ms. Maldonado at (212) 306-4421.

All questions should be clearly marked "QUESTIONS FOR THE REDEVELOPMENT OF UAC.". Questions submitted in writing must include the firm's name and address and the name, title and telephone number of the individual to whom responses should be addressed. All entities to which an RFP was distributed will receive a copy of such responses. Additional questions may be asked at the Proposers' Conference(s).

Proposers must not contact the current residents of UAC and/or any organizations or individuals that represent them regarding this RFP. NYCHA has instructed said parties not to discuss the Redevelopment Work with any Proposer.

From the date this RFP is issued until the award date, the only contact that a Proposer may have with NYCHA regarding this RFP is with NYCHA's Contact Person. A Proposer may rely only on representations, statements or explanations contained in this RFP, in documents that NYCHA provides to the Proposer, and in such formal written addenda as may be issued from time to time. Proposers may not rely on any material, whether written or oral, that they receive from any other sources.

It is the Proposer's responsibility to ensure that it has a complete and thorough understanding of all requirements, expressed or implied, regarding what NYCHA expects from the Proposer as set forth in this RFP, prior to submitting its Proposal. By submitting a Proposal, a Proposer covenants that it will not make any claims for or have any rights to damages because of any misinformation or lack of information.

NYCHA reserves the right to issue addenda to correct, modify or amend this RFP (including any scope of work, requirements, and terms or conditions) prior to the Submission Deadline by sending written notification to each party of record to which a copy of this RFP has been delivered. NYCHA will advise such parties regarding any clarifications or revisions that it makes to this RFP. If, in NYCHA's sole judgment, additional time is required for Proposers to respond, NYCHA will grant an extension of time to all Proposers.

NYCHA reserves the right to communicate with any of the Proposers, but it is not obligated to do so. NYCHA may discuss the Proposal of any Proposer concurrently or sequentially, as NYCHA may determine to be in its best interests. No Proposer has any

rights against NYCHA from any such invitation to a discussion, or from any negotiations that may arise pursuant to such discussions.

A Proposer must comply with all requests for information and, if requested by NYCHA, appear for discussions. If a Proposer fails to do so within the time period set by NYCHA, NYCHA may deem the failure to be an act of non-conformance with the RFP requirements, which will permit NYCHA to reject such Proposer and Conditionally Designate another Proposer or to solicit new Proposals. Before a Final Designation is made, the selected Proposer may be required to provide a report on its financial background and information concerning the nature and status of any past, pending or threatened charges or actions (including lawsuits, criminal or disciplinary action, administrative proceedings by any governmental or regulatory agency or bankruptcy proceedings) against the Proposer, or any of its Principals, directors, officers, employees or shareholders.

All submissions shall be deemed the Proposer's authorization for NYCHA to make any inquiries concerning the Proposer as NYCHA deems necessary. Proposals that are not in conformance with the requirements of this RFP will be eliminated, at NYCHA's discretion, from further consideration.

4. 5 Proposal Packaging

Each Proposer is required to submit one signed original and eight copies of its Proposal package. The original and all copies must be clearly labeled. If there are any differences between the original and any of the copies, the material in the original will prevail.

A Principal or officer of the Proposer who is duly authorized to commit the Proposer to fulfilling the Proposal must sign each original Proposal. If a joint venture is submitting a Proposal, a Principal or officer of each joint venture member must sign the original Proposal. The copies may have original signatures or photocopies of the signatures. All Proposals and accompanying materials become the property of NYCHA and will not be returned to the Proposers.

The Proposer must include its complete return address on the outer envelope or wrapper enclosing any materials submitted to response to this RFP. Such outer envelope or wrapper should be sealed and addressed as follows:

FROM: Developer's Name:
Developer's Address:
Contact Person:
Contact Person's phone number:

TO: New York City Housing Authority
Department of Housing Finance and Redevelopment
250 Broadway, 24th Floor
New York, NY 10007
Attention: Ms. Joann Maldonado

Submission Deadline: 4:00 p.m., _____ 2002

RE: Request for Proposals for a Redevelopment Team for the HOPE VI Redevelopment of UAC, Vacant Sites.

Oversized architectural materials shall be sealed separately in a 30 x 42 vinyl portfolio case and must be marked with the RFP title, and the Proposer's name, address and telephone number.

Proposals must be hand delivered to the above address and RECEIVED by NYCHA no later than the Submission Deadline. Hand-delivered Proposals will be accepted ONLY between the hours of 10:00 a.m. and 4:00 p.m., Mondays through Fridays (and only up to 4:00 p.m. on the Submission Deadline), excluding holidays observed by NYCHA.

NYCHA will not accept Proposals transmitted via facsimile.

NYCHA reserves the right to reject any Proposal that is not prepared in accordance with the directions contained in this RFP.

4.6 Proposal Organization

Proposers must organize their Proposals with tabs and headings for each section in the order shown below.

Tab A, Proposal Checklist

Attach **Exhibit A,** the **Proposal Checklist** for this Proposal. Indicate page numbers.

Tab B, Proposal Summary

Complete and attach **Exhibit B, Proposal Summary**. On the Proposal Summary Form, the Proposer must include a narrative that describes the Proposer's approach and plans to design, build and manage the Redevelopment of UAC.

The Proposal Summary must address the following topics:

a. General Description - Provide a brief description of the overall Proposal and the capability and record of the Proposer and the Team, including all relevant experience;

b. Proposed Redevelopment Work Design – Describe the proposed design, Redevelopment and cost-effectiveness of the Redevelopment Work. Describe any amenities included in the Redevelopment Work, such as security features, retail facilities, and additional features not called for in the Scope of Work;

c. Redevelopment Work Financing - Identify the additional sources of financing that the Developer will seek to obtain to pay for all Construction Financing and Permanent Financing; and

d. Management – Describe the management approach for the Three Towers, including security, short and long term maintenance and repairs, and tenant/owner communications.

Tab C, Business Entity Questionnaire or Not-for-Profit Organization Questionnaire

The Proposer must complete either the **Business Entity Questionnaire, or the Not-for-Profit Organization Questionnaire**, as applicable (**Exhibit C),** and attach it as Tab C.

Tab D, Development Team Experience

The Proposer must include a completed **Development Team Experience** Exhibit and attach it as **Exhibit D. A** separate **Exhibit D** must be used for each Team member. If a Team member has no experience, this must be indicated on the form by writing "none" and still submitting the form. The information should include projects that were completed, are in construction, are in pre-development, or are otherwise committed.

Changes to the Team will not be permitted after Proposals have been submitted, unless authorized by NYCHA in writing. In addition, the Proposer must submit the following information about the composition, qualifications and experience of the Team:

A. A precise description of any joint venture agreements entered into by the Proposer with the proposed Architect, proposed Contractor and/or the proposed Management Agent, including respective equity and decision-making interests of each member of any joint venture;

B. A description of how each Team member, and the Team as a whole, will dedicate their professional time to this Redevelopment Work. NYCHA expects such terms to be incorporated into the Redevelopment Agreement after a Proposer has received Conditional Designation. Failure of the Proposer to follow through with these commitments may result in termination of the Conditional Designation; and

C. A description of the Proposer's plan for construction management.

Tab E, Schedule of Real Estate Holdings

Complete and attach **Exhibit E, Schedule of Real Estate Holdings**. Each Principal of the Proposer must list all properties currently owned or previously owned during the ten-year period preceding the Submission Deadline for responses to this RFP, either directly by the Principal or by an organization in which the Principal is or was a corporate officer,

general partner or held more than a ten percent (10%) interest. Please indicate all government-assisted properties, if any.

Tab F, Proposer's Qualifications and Disclosure Statement Form

Proposers must complete NYCHA's **Proposer's Qualifications and Disclosure Statement Form** (**Exhibit F)**.

Tab G, REP and M/WBE Plan

Complete the **REP and M/WBE Plan** forms attached as **Exhibit G.** The Proposer's plans should try to maximize the participation of M/WBEs in order to meet the goal of diversity.

In addition to the information requested above, please provide any additional information regarding the participation of M/WBE enterprises, resident-owned businesses and minority/female individuals on the Team. Such information should be specific as to equity participation, if any, anticipated participation in fees, and the scope of authority of such M/WBEs, resident-owned businesses and/or minority/female individuals.

Tab H, Affirmative Action Plan

Tab I, Financial Qualifications Statement

Attach an audited financial statement describing the Proposer's financial status within the three most recent fiscal years preceding the deadline for the submission of Proposals in response to this RFP. The audits must be prepared by a certified public accountant in accordance with generally accepted accounting principles consistently applied. Proposers should complete a Financial Qualification Statement Form. Signed income tax returns for the Proposer's most recently ended fiscal/calendar tax year must also be attached. If the Proposer is a joint venture, provide this information with respect to each member of the joint venture. Publicly owned companies must submit the latest annual report and Form 10K, as well as any Form 10Q submitted after such Form 10K.

Tab J, Resumes

Include the resumes of the Proposer's key members of the Team, such as the proposed Developer, proposed Redevelopment Work Architect, proposed Redevelopment Work Contractor, attorney, environmental engineer, housing/LIHTC consultant, marketing agent and proposed Management Agent.

Tab K, Legal Structure

The Proposal should address the key legal issues facing the Redevelopment Work by articulating the Developer/Owner structure before, during and after the Redevelopment

Work. The Proposal should incorporate an outline of the proposed ownership structure of the three reconfigured towers.

Tab L, Organizational Chart

Indicate graphically the organizational structure of the Proposer and the Team members, as their job responsibilities relate to each other. Include the percentage of time each Team member will dedicate to the Redevelopment Work.

Tab M, Redevelopment Timetable

Complete and attach a Redevelopment Timetable for the Work. Include the dates that you expect to start and complete the design documents, construction, rent up and 100% occupancy of each of the four phases of Redevelopment Work.

Indicate important time deadlines for NYCHA, as well as for the Proposer. To the extent that NYCHA's decisions must be made by a certain time in order for the Proposer to take advantage of other windows of opportunity (e.g., tax credit application periods), identify those limits.

5. RFP GENERAL TERMS AND CONDITIONS

5.1 RFP Acceptance

A Proposer's submission of a Proposal in response to the RFP shall constitute acceptance by the Proposer of the terms and conditions of this RFP, unless exceptions are clearly stated.

5.2 No Warranty by NYCHA

Proposers are required to examine the RFP, specifications, and instructions pertaining to the services requested.

It is assumed that the Proposer has made full investigation so as to be fully informed of the extent and character of the services requested and of the requirements of the specifications.

No warranty is made or implied as to the information contained in the RFP.

5.3 RFP Submission Expenses

All expenses incurred in the preparation and submission to NYCHA of a Proposal in response to this RFP shall be borne by the individual Proposer.

5.4 Compliance with Applicable Laws and Regulations

The Proposer agrees to comply with the provisions of Chapter 151B of the New York General Obligations Law, as amended, and with the requirements of Presidential Executive Order 11246, as amended, and all other applicable Legal Requirements.

5.5 NYCHA Options

NYCHA reserves the right to postpone or cancel this RFP, to reject any and all Proposals, in whole or in part, to re-advertise for new Proposals and/or not to award any Redevelopment Agreement pursuant to this RFP if NYCHA deems it in its best interest to do so.
NYCHA further reserves the right to waive any minor deficiencies in any Proposals received, if it is in the public interest to do so.

5.6 Complete and Accurate Submission

A Proposer's failure to provide accurate information in response to this RFP shall disqualify the Proposer, at NYCHA's option, from further participation in this Developer selection process.

A Proposal may be corrected, modified, or withdrawn, provided that the correction, modification, or request for withdrawal is made by the Proposer in writing and is received by NYCHA prior to the Submission Deadline. After such date and time, the Proposer may not change any provision of its Proposal in a manner prejudicial to the interests of NYCHA and/or fair competition.

Proposers may not withdraw their Proposals for a period of 120 days following the Proposal Submission Deadline.

If NYCHA determines, after reviewing the Proposal, that any items are missing and/or incomplete, NYCHA, it its sole discretion, may notify the Proposer to provide such items. Failure to provide complete information in a timely fashion could result in rejection of the Proposal.

5.7 Conditions, Terms and Limitations

NYCHA's General Terms and Conditions set forth in **Attachment G** are incorporated herein and form a part hereof.

This RFP is subject to the specific conditions, terms and limitations listed below:

- The proposed Redevelopment Work must confirm to, and be subject to, the provisions of the Zoning Resolution and all other applicable Legal Requirements.
- The Conditionally Designated Developer is solely responsible for obtaining all applicable permits and approvals.
- The Final Designation of a Proposer will depend on satisfaction of the documentation and review requirements described in this RFP.

- No transaction will be consummated if any Principal of any Conditionally Designated Proposer is in arrears or in default of any debt, lease, contract or obligation to NYCHA or the City.
- No commission for brokerage or any other fee or compensation shall be payable by NYCHA, and the submission of a Proposal will constitute the Proposer's undertaking to indemnify and hold NYCHA harmless from and against any such claim for any such brokerage commission, or any other fee or compensation.
- Selection of the Proposer's Proposal will not create any rights on the Proposer's part, including, without limitation, rights of enforcement, equity or reimbursement, until after all applicable approvals have been obtained.
- NYCHA shall be solely responsible for the determination of completeness of any Proposal or as to the eligibility or qualification of any Proposer.
- NYCHA advises all Proposers that there is no legal obligation on the part of NYCHA to lease any Site described in this RFP through a competitive process and that NYCHA reserves the right to use each Proposal submitted pursuant to this RFP as a basis for negotiation with the Proposer submitting the Proposal, as NYCHA deems appropriate.

5.8 Conflict Of Interest

No officer or employee of NYCHA shall engage in any business or transaction or have a financial or other private interest, direct or indirect, which is in conflict with the proper discharge of his/her official duties.
It is prohibited to engage in actions that result in or create the appearance of: (i) using one's office for private gain; (ii) giving preferential treatment to any person or entity; (iii) losing independence or impartiality; or (iv) accepting gifts or favors for performing official duties.
No officer or employee of NYCHA shall use or attempt to use his/her position to obtain any financial gain, contract, license, privilege or other private or personal advantage, direct or indirect, for himself/herself or any person, firm, corporation, or other entity with which he/she is associated.
An officer or employee of NYCHA shall be deemed "associated" with each person who is a close relative by blood or marriage, with each person with whom he/she has a business or other financial relationship and with each firm, corporation, or other entity in which he/she has a present or potential substantial interest, direct or indirect.

5.9 Certificate of Non-Collusion

By the act of submitting a Proposal, the Proposer and each person signing on behalf of the Proposer certifies, under the penalty of perjury, that, to the best of the Proposer’s and such person’s knowledge and belief, that no attempt has been made or will be made by the Proposer to induce any other person, partnership or corporation to submit or not submit a proposal for the purposes of affecting competition.

6. DEFINITIONS

The terms appearing in this RFP will have the following definitions unless another definition is expressly set forth in the text. Such meaning shall be equally applicable to the singular and plural forms of the defined terms.

"**Act"** means the United States Housing Act of 1937, 40 U.S.C. 1437, as amended, and, where applicable, the federal regulations that implement such Act.

"**Affirmative Action Plan**" means a plan setting forth goals for employment of minorities and women, in the form set forth in **Exhibit H**, which must be submitted by the Proposer with its proposal

"Architect" means the architect of record for the Redevelopment Work.

"**Article XI Corporation"** or "**HDFC**" means a housing Redevelopment fund company incorporated pursuant to both Article XI of the PHFL and Section 402 of the New York Not-For-Profit Corporation Law.

"**Building Code**" means Chapter 1 et seq. of Title 26 of the New York City Administrative Code and all applicable rules and regulations promulgated there under.

"**CD 16**" means Bronx Community District 16.

"**CFR**" means the United States Code of Federal Regulations.

"**City**" means The City of New York.

"**Conditional Designation**" **or** "**Conditionally Designated**" means conditional or preliminary selection by NYCHA of a Proposer to develop the Redevelopment Work described in this RFP. The Conditional Designation of a Proposer will be based solely on the Proposer's submitted Proposal. Final designation of a Proposer will not occur until there is an executed Redevelopment Agreement between NYCHA and the Proposer or an affiliate of the Proposer approved by NYCHA.

"**Construction Documents**" means a set of documents that are 100% complete and approved by NYCHA and that set forth in detail the requirements for the Redevelopment Work, including, without limitation, Working/Construction Drawings, construction specifications, a Site survey and conventional bid documents, as further defined in **Attachment XX,** Design Handbook.

"**Contractor**" means a general contractor that has contracted with the Developer to undertake the Redevelopment Work. The Redevelopment Work Contractor may perform all of the construction work constituting the Redevelopment Work using its own organization, or it may Subcontract all or part of the construction work to specialty contractors or Subcontractors, such as electrical and plumbing contractors or Subcontractors. The Redevelopment Work Contractor is responsible for supervising and coordinating the work of the various specialty contractors or Subcontractors, if any. If

the Redevelopment Work Contractor or any Subcontractors are not named in the Proposal and there is an Identity-of-Interest between either the Developer and the Redevelopment Work Contractor, or between the Developer and any Subcontractor, then the Redevelopment Work Contractor or such Subcontractor, as the case may be, must be procured through a competitive bidding process in accordance with 24 CFR Part 85.36 and Public Housing Law Section 151 (Sub. 1).

"**Design Development Documents"** means a set of documents prepared by the Architect that include, without limitation, architectural drawings for the structural, plumbing, electrical and heating, ventilation and air conditioning (HVAC) work to be performed at an applicable Site and Outline Specifications that are at least 75 percent complete, as further described in **Attachment XX**.

"**Developer"** means a Proposer selected pursuant to this RFP. The Developer or a member of its Team will perform the Redevelopment Work pursuant to this RFP. The Developer shall be responsible for the planning, design, financing, construction, and management of the Redevelopment as defined in this RFP. In the event that the Developer or any successor to its interest hereunder shall, with NYCHA's prior written approval, transfer or assign its interest hereunder, the term "Developer" shall mean such transferee or assignee.

"D**evelopment Agreement"** means a Contract that will be entered into between NYCHA and the Developer with respect to the implementation of the Proposal, including the rights and liabilities (financial or otherwise) of the parties, a development schedule, and the respective commitments of the parties regarding the Redevelopment Work.

"**Development Team**" see definition for "**Team**".

"**Development Timetable**" means the schedule that the Developer proposes to follow, showing when it will commence, prosecute and complete the Redevelopment Work.

"**Effective Date"** means the date the Redevelopment Agreement becomes effective and the Team may commence the Redevelopment Work in accordance with the terms and conditions of the Redevelopment Agreement.

"**Evaluation Committee"** means a committee composed of NYCHA staff who will evaluate the Proposals and who will select the most qualified Proposer(s). The Evaluation Committee will evaluate the Proposals using the criteria set forth in Section **XX** of this RFP.

"**Extended Occupancy Restriction Period"** means the period commencing, at the sole discretion of NYCHA, upon the expiration of the Initial Occupancy Restriction Period and expiring ten years from the date of such commencement or ten years from the date that the last NYCHA Unit in the Redevelopment Work receives Operating Subsidy hereunder, whichever is later to occur.

"**Final Designation**" means final selection by NYCHA of a Proposer to perform the services set forth in this RFP. Final Designation of a Developer will occur upon execution of a Redevelopment Agreement between NYCHA and a Developer, or an affiliate of the Developer approved by NYCHA.

"**Ground Lease"** means a land lease under which the Redevelopment Work will be leased from NYCHA to the Developer prior to the commencement of Redevelopment Work for a term equal to at least 40 years but not to exceed 99 years.

"**HAND**" means NYCHA's Housing And Neighborhood Redevelopment Program.

"**HUD"** means the United States Department of Housing and Urban Redevelopment.

"**Identity-of-Interest"** An entity shall be deemed to have an "Identity of Interest" relationship with another entity if either (i) ten (10%) or more of the beneficial interest in such entity is owned or controlled by such other entity or by any of its officers, directors, shareholders, partners, members or principals, or (ii) any officer, director, partner, member or principal of such entity is an officer, director, partner, member or principal of such other entity, or any officer, director, partner, member or principal of such entity is related by blood or marriage to any officer, director, partner, member or principal of such other entity.

"**Initial Occupancy Restriction Period**" means the period commencing on the later of (a) the date that ten percent (10%) of the units in the Mixed-Finance Redevelopment are first occupied, or (b) the date of the Final Closing, and ending 40 years from such commencement date.

"**Legal Requirements**" means all applicable laws, statutes, codes, ordinances, rules, regulations, directives, guidelines or policies of any federal, state or city government, court, agency, body, organization or group exercising any executive, legislative, judicial, regulatory or administrative function of government, existing now or in the future.

"**Lessee"** means the entity that enters into a Ground Lease with NYCHA or an affiliate or subsidiary thereof with respect to any of the Sites, which entity shall be either the Developer, or an affiliate of the Developer.

"**LIHTC**" means the Low Income Housing Tax Credit.

"LOC" means Letter of Credit. An LOC is a document issued by a bank guaranteeing the payment of a customer's (the Developer and/or Contractor's) drafts up to a stated amount for a specified period.

"Management Agent" means an entity that, with NYCHA's approval, may be engaged by the Developer to provide for the daily maintenance and management of the University Avenue Mixed-Finance Redevelopment.

"**Mixed-Finance" or "Mixed-Financing**" means the combined use of publicly and privately financed sources of funds to develop the University Avenue Mixed-Finance Redevelopment in accordance with Section 35 of the Act.

"**M/WBE" or "Minority/Women-Owned Business Enterprises"** means those businesses in which a woman or minority owns at least 51 percent of the entity certified by New York State as such.

"**NEPA**" means the National Environmental Protection Act of 1969 as set forth in 24 CFR Part 58.

"NYCHA" means the New York City Housing Authority.

"**NYCHA's Contact Person**" means the person designated by NYCHA as the only individual with whom a Proposer may have contact for all matters concerning this RFP.

"NYCHA Funds" means funds provided by NYCHA other than PFS.

"**NYCHA Resident"** means any individual who is either a signatory on a NYCHA lease or is a member of the immediate family of such an individual.

"Outline Specifications" means preliminary written instructions that supplement the schematic drawings or plans for the applicable Site and provide pertinent information regarding dimensions, materials, quality of work, style, fabrication, colors and finishes, as set forth in **Attachment XX**.

"Operating Subsidy" or "**Performance Funding System" or "PFS"** means the program pursuant to which NYCHA receives an operating subsidy from HUD covering all or part of the difference between the Redevelopment Worked operating income and the total allowable expenses for the units designated for NYCHA Residents pursuant to Section 9 of the Act. The Performance Funding System operating subsidy is subject to annual appropriations from Congress.

"**Permanent Financing"** means long-term financing secured by the execution of a mortgage and note and used to replace construction financing.

"**PHFL**" means the New York Private Housing Finance Law.

"**Principal**" means, depending on the context, an individual with a financial or managerial interest in the Team. Architects, attorneys or other sub-consultants who have an interest in the Redevelopment Work or the eventual ownership or management of the University Avenue Mixed-Finance Redevelopment, other than an "arms length" fee arrangement for professional services, are also considered Principals. All general and limited partners having an interest of 25 percent (25%) or more in a partnership are considered Principals. Principals of public or private corporations include their officers,

including the president, vice president, secretary, treasurer, and all other executive officers who are directly responsible to the board of directors or equivalent governing body, as well as each director and each stockholder having an interest of ten percent (10%) or more in such corporation.

"**Proposal**" means a response to this RFP submitted by a Proposer setting forth their strategy and qualifications to complete the Redevelopment Work.

"**Proposer**" means each person, entity or group of entities that submits a Proposal response to this RFP.

"**Proposers Conference**" means each of the two meetings that NYCHA's Housing Finance and Redevelopment Department will hold prior to the Submission Deadline, and to which any parties that may be interested in responding to this RFP are invited. The purpose of the Proposers Conference is to discuss and answer questions regarding this RFP.

"Redevelopment Work" means all of the work necessary to plan, design, finance, develop and construct the work at UAC- Vacant Sites.

"**Regulatory and Operating Agreement**" means, depending on the context, the regulatory and operating subsidy agreement that will be entered into between NYCHA and the Developer which shall, among other things, assure that the dwelling units will be available for occupancy by eligible NYCHA Residents in accordance with all applicable state and federal public housing requirements for the Initial Occupancy Restriction Period and the Extended Occupancy Restriction Period.

"**Release Date**" means -----, 2002, the date of the release of this RFP to the public.

"REP" means NYCHA's Resident Employment Program, as further described in **XX** of this RFP.

"Requests for Proposals" or "**RFP**" means NYCHA's Request for Proposals for the Redevelopment Work of UAC-Vacant Sites.

"**Schematic Design Drawings**" means architectural drawings or plans that are not greatly detailed, but that show basic Redevelopment Work layouts in broad schemes, as further described in **Attachment XX**.

"Section 3" shall mean the requirements of Section 3 of the Housing and Urban Redevelopment Act of 1968, 12 U.S.C. 1701, as amended, and its applicable regulations, rules and orders.

"Section 35" means the requirements of Section 35 of the Act.

"SEQRA" means the New York State Environmental Quality Review Act.

"**Site-Based Waiting List"** means a list developed in accordance with Section 6 of the Act, which allows public housing authorities to institute site-specific waiting lists, using standards and criteria for tenant selection, annual re-examination of income and family composition, which comply with the Fair Housing Act, Title VI of the Civil Rights Act of 1964 and other applicable civil rights laws.

"Subcontract(s)" means the contract(s) between the Redevelopment Work Contractor and its Subcontractor(s), as well as second tier contracts between the Subcontractor(s) and its/their respective Subcontractors and sub consultants, all entered into in accordance with the requirements set forth in this RFP.

"**Subcontractor(s**)" means those engaged pursuant to individual Subcontract(s) with the Redevelopment Work Contractor or lower tier Subcontractor(s) for the performance of the Redevelopment Work as described in this RFP.

"**Submission Deadline"** means _____, 2000, the last date for submission of a Proposal by a Proposer responding to this RFP.

"Team" or **"Development Team** " means, collectively, the Proposer and the person(s) and/or entity(ies) assembled by the Proposer that will participate in the planning, design, development, financing, leasing and management of the Redevelopment Work including, but not limited to, the Developer, the Contractor and Subcontractor(s) of such Contractor, the Architect and Management Agent, if any.

"Threshold Criteria" means the minimum qualifications established by NYCHA that a Proposer must meet to ensure that the Evaluation Committee does not automatically disqualify the Proposal under review.

"Total Construction Cost" or "**Hard Costs**" means the costs incurred by the Developer in providing all of the labor, materials, equipment, general conditions, overhead and profit for the Redevelopment Work.

"Total Development Cost" or "**TDC**" means the total of all necessary and reasonable costs incurred in carrying out the Redevelopment Work. Costs include, without limitation, carrying charges (e.g. interest, or any real estate taxes that are not abated or subject to exemption); professional service and audit fees; surveys; insurance; assessments; inspection; recording and filing fees; labor; materials; equipment; general conditions; overhead; profit; contingency amounts; and construction of each unit.

"Working Capital" means the amount designated to cover all costs of operations including but not limited to real property taxes, insurance, utility fees, advertising and marketing costs for up to six months beginning with the initial rent-up.

"Working/Construction Drawings" means the final architectural drawings submitted prior to the Construction Closing that describe the construction details of all Work to be

done after the Construction Closing, and other bid documents, in each case as approved y NYCHA in writing.

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