

**The New York City
Department of Housing Preservation and Development
And
The New York City Health and Hospitals Corporation**



**SEA VIEW
SENIOR HOUSING**

REQUEST FOR QUALIFICATIONS

Issue Date: October 6, 2003
Pre-Submission Conference: October 30, 2003
Application Due Date: November 19, 2003

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SEA VIEW SENIOR HOUSING RFQ

TABLE OF CONTENTS

PROGRAM DESCRIPTION

I.	INTRODUCTION	1
II.	SITE DESCRIPTIONS	2
III.	QUALIFICATION PROCESS	2
IV.	MINIMUM QUALIFICATION REQUIREMENTS	4
V.	CRITERIA FOR SELECTION AS DEVELOPER	5
VI.	SUBMISSION REQUIREMENTS	7
VII.	PRE-SUBMISSION CONFERENCE	9
VIII.	INQUIRIES	9
IX.	CONDITIONS, TERMS AND LIMITATIONS	9
X.	CONFLICT OF INTEREST	10

EXHIBITS

- A. Forms
 - Form 1 Applicant Description
 - Form 2 Residential Development Experience
 - Form 3 Residential Management Experience
 - Form 4 Principal's Property Listing
 - Form 5 Assets Statement
 - Form 6 Credit Authorization Form
- B. Site Map
- C. Services to be Provided
- D. Applicant's Letter
- E. Post-Selection Submission Requirements

SEA VIEW SENIOR HOUSING RFQ

I. INTRODUCTION

The New York City Department of Housing Preservation and Development (“HPD”), in cooperation with the New York City Health and Hospitals Corporation (“HHC”), invites developers to submit their qualifications for the development of an affordable Senior Housing project (“Project”) called Sea View in the Willowbrook area of Staten Island.

This Project will be developed in an existing building that is owned by the City, and leased to HHC, and located within the 70-acre campus of the Sea View Rehabilitation and Home facility. The campus was designated a historic district in 1985 by the New York City Landmarks Commission.

The building is composed of two sections, the first section designed and constructed in 1912 and the second section constructed in 1932. This building is to be rehabilitated to create a senior housing project. The completed project is anticipated to contain 100 dwelling units. This property will be either sold or leased to the developer (“Developer”) through a long-term lease. The Project may also include the Developer acquisition of a small adjacent building, currently owned by the city, to be rehabilitated for office and/or program uses.

The Developer will be required to provide a minimum level of supportive services as described in Exhibit C. These services may be provided directly by the Developer, by its managing agent or by contract with private vendors. The Developer may also contract with the Sea View Rehabilitation and Home facility for these services. Any changes to the managing agent will be subject to HPD and HHC approval.

The Developer will be responsible for assembling a development team (including a contractor, architect, and marketing agent) securing financing, and undertaking the design, rehabilitation, marketing, rent-up and management of the completed buildings, as described in Section IV. Conveyance and construction start are anticipated to occur in early calendar year 2005.

This Request for Qualifications (“RFQ”) has been issued to determine the eligibility of responding individuals and organizations (“Applicants”) to develop the Project. HPD will select a developer from the list of qualified developers established through this RFQ.

A pre-submission conference will be held on October 30, 2003, at 10:00 a.m., at HPD, 100 Gold Street, Room 1-R, New York, NY. All applicants are encouraged to attend.

Applications are due by hand on November 19, 2003 no later than 4:00 p.m. See Section VI.B. (“Submission Due Date”) for detailed instructions.

II. SITE DESCRIPTION

The Property is located in the Willowbrook area of Staten Island, in Community District 2. The Property, presently a vacant Nurses' Residence adjacent to the Sea View Hospital, is three levels above grade on the northern elevation. However, due to the sloping site the basement level is fully exposed on the southern side. The approximately 100,000 gsf building is divided architecturally in three sections: East and West Wings, and the Center Wing. The Developer will also have an option to purchase or lease a small building adjacent to the Nurse's Residence to create additional office or program space.

The building is a "Building of Note", as designated by the New York City Landmarks Preservation Commission, and is required to comply with all Landmark rules and regulations. Landmarks designation is for exterior only. There are a number of items that will need to be approved by the Landmarks Preservation Commission including but not limited to:

1. Roof penetrations for piping, venting, exhausting of apartments.
2. Nominal roof vertical expansion to accommodate over run of elevators.
3. Conversion of windows to doors
4. Exterior wall penetrations and façade grills, if through wall HVAC units are used in apartments.
5. Architectural conversion of present rear Center Wing entrances to ADA compliant main entrances with appropriate articulation and signage.

Property descriptions and maps are included in Exhibit B ("Site").

III. QUALIFICATION PROCESS

The RFQ process consists of four phases: A) Applications, B) Establishing List of Qualified Developers, C) Review and Selection, D) Disposition of Properties and Rehabilitation.

A. Applications

Applicants must submit their qualifications in accordance with the instructions contained in Section IV.

1. *Eligible Applicants*: may be for-profit entities, individuals, sole proprietors, not-for-profit organizations, or joint ventures. An Applicant must have the financial resources and the relevant development and management experience outlined in Section IV.
2. *Application Process*: an application must include all information requested under Section V of this RFQ for all principals and officers of the Applicant. Upon review, HPD, at its discretion, may notify an Applicant that additional information or clarification is necessary. Such additional information may include the completion of disclosure statements concerning the Applicant and its principals and officers. An Applicant's submission of qualifications will be considered as permission for HPD to make such inquiries concerning the Applicant, as HPD deems necessary.

B. Establishing List of Qualified Developers

HPD will review the responses to the RFQ in accordance with the Minimum Qualification requirements stated in Section IV and establish a list of eligible developers (“Qualified Developers”). Inclusion of an Applicant as a Qualified Developer under this RFQ means only that HPD has determined that such Applicant meets the requirements set forth in this RFQ to be a Qualified Developer and that HPD may thereafter elect to commence negotiations with such Applicant regarding the disposition and subsequent development of the Property. Inclusion of an Applicant on the list of Qualified Developers under this RFQ does not guarantee that it will be selected to receive the Property.

C. Selection of Developer

HPD will commence negotiations with one or more Applicants selected from the list of Qualified Developers based on the criteria stated in Section IV.

HPD will send a letter to the selected Qualified Developer(s) upon commencement of negotiations (“Negotiation Letter”). The Negotiation Letter will include a development schedule setting out the major actions and timeframes necessary to accomplish a construction start in 2005, as well as other information regarding the project and the procedures that will form the basis for the negotiations. Failure of the Developer to follow the development schedule will result in the termination of negotiations and the selection of another Developer. HPD reserves the right to terminate negotiations with or without cause after the issuance of such Negotiation Letter.

Any applicant that receives a Negotiation Letter from HPD must thereafter disclose all previous participation with City-assisted projects. Such entity and all principals thereof will each be required to submit completed Entity and Individual Disclosure Statements which will be forwarded to the applicant. HPD will provide copies of these forms upon request by any applicant.

Exhibit D (“Applicant’s Letter”) contains an Applicant’s Letter that describes this process; each application must include this letter signed by a principal of the applicant.

D. Disposition and Rehabilitation

Upon successful negotiations, and the satisfaction of all applicable governmental approvals required for disposition, including but not limited to Section 7385.6 and Section 7387.4 of the New York City Health and Hospitals Corporation (HHC) enabling act, and section 197-c and 197-d of the New York City’s Charter, the buildings and land (“Property”) will be conveyed to the selected developer through sale or long-term lease. Disposition will take place only concurrent with a construction loan closing, and the execution of all legal documents required by HHC.

Section 7385.6 and Section 7387.4 of the New York City Health and Hospitals Corporation (HHC) enabling act require that the HHC Board of Directors have a public meeting to notify interested parties of the Board’s intention to surrender the parcel of Property to the City of New York, which is the fee owner, because the Property is no longer needed by HHC.

After the public hearing, the HHC Board of Directors must pass a formal resolution surrendering the property to the City of New York.

This surrender is subject to review and action by the City Council and the Office of the Mayor.

Disposition of City-owned land is subject to the Uniform Land Use Review Procedure (“ULURP”). The selected developer will be required to work with HPD, as lead agency, to complete the necessary environmental and land use reviews.

IV. MINIMUM QUALIFICATION REQUIREMENTS

Applicants must meet all of the following Qualification requirements in order to be considered a Qualified Developer for possible selection to develop the Property.

A. Residential Development Experience

The Applicant will be evaluated on the extent of its experience with the rehabilitation of housing similar to the Property described above in Section II. Such consideration will include but not be limited to assessing the quality and efficiency of completed rehabilitation work through site visits, contacting references and other information available to HPD.

An Applicant’s experience as listed on Form 2 should at a minimum contain the completion of at least two substantial rehabilitation projects of at least 50 units each in New York City in the last five years, as well as new construction or rehabilitation of 200 units during that period. Substantial rehabilitation is defined as projects with a scope that included, at a minimum, replacement of several major systems, beam replacement, and the coordination of multiple trades.

B. Senior Housing Management Experience

The Applicant will be evaluated on the extent and quality of its management of residential properties, particularly senior housing, through site visits to properties owned and operated by the Applicant and its proposed managing agent, if other than the Applicant. The review will cover: the physical condition of the properties; the number of Housing maintenance Code violations; the payment record for City taxes, water and sewer charges and any other municipal charges for Applicant’s properties; the Applicant’s track record and current capacity to provide effective management and supportive services in a timely and responsive manner including the handling of tenant complaints; and the Applicant’s ability to supervise building employees and maintain appropriate records.

The building must be developed as rental housing for seniors. The developer will be required to provide specific services detailed in Exhibit C “Services to be Provided.”

To be qualified under this criterion, an Applicant should demonstrate the capacity to manage property in a professional manner on a scale commensurate with the proposed Sea View Senior Housing Project. Applicant’s management portfolio on Form 3, should show that the Applicant has had a minimum of 100 units of Senior Housing units or any other developments with supportive services under management at all times during the most recent five years. The principal’s of the Applicant must

have been the owner and manager, or the owner acting through a management entity, to fulfill this qualification. No changes in managing agent may be made without HPD and HHC's prior approval.

C. Municipal Charges

All buildings managed or owned by the Applicant must be current with all New York City real property taxes and water and sewer charges or have entered into and be in compliance with payment agreements for all outstanding taxes and charges.

D. Code Violations

An Applicant may be rejected at any time during the evaluation process if findings of a substantial record of serious Building Code or Housing Maintenance Code violations are made with regard to the Applicant or any of its principals or related entities and such findings have not been adequately addressed.

E. Adverse Findings

An Applicant may be rejected at any time during the evaluation process if adverse findings are made with regard to the Applicant or any of its principals or related entities, including but not limited to, adverse findings with respect to any of the following:

- Past or pending government or private mortgage foreclosure proceedings or arrears with respect to any property owned or managed by the Applicant.
- Past or pending governmental tax or lien foreclosure, substantial tax arrears or bankruptcy or insolvency.
- Findings of tenant harassment or a pending case of harassment.
- Arson, fraud, bribery, or grand larceny conviction or a pending case.
- Past or pending default on any obligation to, unsatisfied judgment or lien held by, or contract with any governmental agency.
- Past or pending suspension, debarment, or finding of non-responsibility by any government agency.
- A past or pending voluntary or involuntary bankruptcy proceeding.
- A negative history with HPD or any other government agency.

V. CRITERIA FOR SELECTION AS DEVELOPER

The following factors will be considered in the selection of a Developer for this Project:

A. Development and Management Experience

These include but are not limited to: the ability to carry out rehabilitation work including "landmarked" buildings, and the size of projects previously developed. As such, the appropriateness of Qualified Developers will include an assessment of expertise in these and/or other areas as determined necessary by HPD and HHC.

B. Supportive Housing Experience

The Applicant will be evaluated on their ability to provide supportive services as described in Exhibit C; ability to provide outside social and community service linkages; ability to market and lease up an approximately 100-unit building for middle-

income Senior Housing; and experience with rent subsidies such as Senior Citizens Rent Increase Exemption (SCRIE). (Form 3)

C. Current Capacity

The Qualified Developer's current workload and other pending project obligations as can be determined by HPD will be considered in assessing its capacity to carry out the management and rehabilitation of the Project. (Form 4)

D. Ability to Work with Government Agencies

HPD will consider the Qualified Developer's demonstrated ability to work successfully with public agencies, meet schedules and comply with special reporting requirements that may be imposed by government funding streams. (Form 2)

E. Distinguishing Attributes

HPD will take into account any distinguishing attributes of the Qualified Developer that further HPD's or HHC's policy goals and initiatives and/or serve local housing objectives. (Form 2)

F. Affordability

HPD will consider the affordability of previous senior housing projects completed by the Qualified Developer. Since HHC's goals are to provide Senior Housing to middle-income seniors, Qualified Developers who have successfully completed middle-income senior housing projects commensurate with the size and scope of this Project will be given special consideration. (Form 2)

G. Financial Capacity

HPD will review the Qualified Developer's assets statement, bank references, credit history, and any other data to assess a Qualified Developer's ability to secure financing and provide equity for this project. HPD will take into consideration whether a Qualified Developer has demonstrated experience in securing construction financing in assessing its capacity to carry out the predevelopment process and close on financing in a timely manner. Consideration will be given to the mix of private and public financing that has been secured in previous projects including but not limited to HPD or New York City Housing Development (HDC) financing programs, state and federal subsidy programs, private loans, and/or demonstrated experience in attaining third party credit enhancement. (Forms 2, 5 and 6)

VI. SUBMISSION REQUIREMENTS

Each submission must consist of one bound original and five bound copies of the Applicant's qualifications, including all documentation requested as described below. Each original and copy should be submitted in a three ring binder. Each copy of the qualifications must be clearly labeled with tabs as indicated below. The tabs should run down the right hand side of the submission. **Each copy** must be clearly labeled with the name of the Applicant on the cover. In addition to meeting the requirements below, Applicants are encouraged to submit a computer disk with data in standard spreadsheet and/or word processing formats for all Forms.

All applications become the property of HPD. HPD reserves the right to ask for additional information. Submissions will be promptly reviewed by HPD. Interviews, site visits and/or additional information may be requested.

A. **CONTENTS OF APPLICATION AND TABBING**

[All Forms can be found in Exhibit A ("Application Forms").]

TAB A – Applicant Description

A completed Applicant Description Form 1. All Applicants must complete pages 1-3 of that Form; not-for profit Applicants must also complete pages 4-6.

TAB B – Residential Development Experience

A completed Residential Development Experience Form, Form 2, for the principal(s) of the Applicant. List all projects that have been completed within the last five years or that are in construction, in pre-development or have otherwise been committed. Also include a reference Letter(s) from a Bank(s) together with a list of all outstanding loans and bank officer contacts.

TAB C – Senior Housing Management Experience

A completed Residential Management Experience Form, Form 3, for the principal or managing agent proposed for the management and operation of the Properties and, if applicable, the contracted agent(s) responsible for rehabilitation and supportive service provision. List all properties that have been managed in the last five years, highlighting experience of the service provider. If any other principal of the Applicant has other management experience that the Applicant wishes to be considered, a separate form should be completed for that principal.

TAB D – Principal's Property Listing & Current Workload

A separate form, Form 4 shall be submitted for each principal listing all real property located in New York City currently or previously owned or managed during the five year period preceding the submission deadline date for applications under this RFQ. This list shall include properties owned and managed either directly by the principal or by any organization in which the principal is or was a corporate officer, general partner, or held more than a 10% interest.

Current Workload

Each principal must list all projects in which he/she is involved that will coincide with the development of the requested Site.

TAB E- Assets Statement

Proposal(s) [from profit-motivated organizations or joint ventures that include profit-motivated participants] must contain a completed Assets Statement, (Form 5), for at least one principal or principals that must be at least equal to the amount of equity required by the construction lender.

Not-for-profit Applicants shall provide copies of the most recent IRS Form 990, Return of Organization Exempt From Income Tax, submitted for the applicant entity as well as for the parent organization, if other than the Applicant. In addition, they shall provide a brief statement of the sources(s) of pre-development costs for this project which are anticipated to be substantial and that no pre-development loans will be provided.

TAB F – Credit Authorization Form

A completed and signed Credit Authorization, Form 6, for the Applicant and each principal of the Applicant.

TAB G – Bank Reference

A reference Letter(s) from a Bank(s) together with a list of all outstanding loans and bank officer contacts.

TAB H – Applicant’s Letter

An Applicant’s Letter, Exhibit D, signed by a principal of the Applicant.

B. SUBMISSION DUE DATE and FEE

Applications must delivered by hand **no later than 4:00 p.m. on November 19, 2003** to:

N.Y.C Department of Housing Preservation and Development
Office of Development
100 Gold Street, Room 9-C-2
New York, NY 10038

Each submission requires a non-refundable fee of one hundred dollars (**\$100.00**). This fee must be in the form of a certified check, cashier’s check or money order payable to “NYC Department of Finance”. **No cash or personal checks will be accepted.**

Late submissions will not be accepted by HPD.

VII. PRE-SUBMISSION CONFERENCE

A pre-submission conference will be held on October 30, at 10:00 a.m. at HPD, 100 Gold Street, Room 1-R New York, NY 10038. All potential applicants are required to attend this conference.

VIII. INQUIRIES

Inquiries regarding this RFQ may be directed to Office of Development, 100 Gold Street, Room 9-C-2, New York, NY. Attention: Liz Eastman Telephone: (212) 863-6368.

IX. CONDITIONS, TERMS AND LIMITATIONS

This RFQ is subject to the specific conditions, terms and limitations stated below:

- A. The Site is to be disposed of in "as is" condition. The City, its officers, agents and employees make no representation whatsoever as to the physical condition of the Site, or the structures thereon or its suitability for any specific use.
- B. Each Site shall be subject to New York City Real Property Taxes and charges. Tax exemption may be available under the J-51 abatement program.
- C. The proposed project shall conform to, and be subject to, the provisions of the Zoning Resolution, Urban Renewal Plan, if any, and all other applicable laws, regulations and ordinances of all Federal, State, and City authorities having jurisdiction, as the same may be amended from time to time.
- D. Valid permits and approvals, as required by City, State and federal agencies, shall be obtained by the Developer prior to commencing work.
- E. The continuation of negotiations with a Developer will depend on satisfaction of the additional documentation and review requirements described in this RFQ and will be subject to the subsequent approval of the City Council and the Mayor. The Site will be sold or leased by HHC pursuant and subject to the provisions of the Land Disposition Agreement ("LDA"). Where required, all documentation, including but not limited to the deed and LDA shall be in form and substance satisfactory to the City Council and the Mayor and to the Corporation Counsel. The conveyance will be subject to satisfaction of the applicable provisions of the City Charter and Article 16 of the New York State General Municipal Law.
- F. No transaction will be consummated if any principal of any Developer with whom HPD or HHC has commenced negotiations is in arrears, or in default upon any debt, lease, contract or obligation to the City of New York, including without limitation to real estate taxes and any other municipal liens or charges. The City reserves the right not to review any application by any such Applicant.
- G. No commission for brokerage or any other fee or compensation shall be due or payable by the City, and the submission of an application will constitute the applicant undertaking to indemnify and hold the City harmless from and against any such claim for any such fee or compensation based upon, arising out of, or in connection with any action taken by the applicant, the selection of the applicant's submission and invitation to the

applicant to respond to this RFQ, the conditional designation of a Developer pursuant to this RFQ, or the sale of the Site.

H. The City is not obligated to pay nor shall in fact pay any costs or losses incurred by any applicant at any time including the cost of responding to the RFQ.

I. This RFQ does not represent any obligation or agreement whatsoever on the part of the City which may only be incurred or entered into by written agreement approved by the City Council, the Mayor and the Corporation Counsel.

J. Selection of an applicant's application will not create any rights on the applicant's part, including, without limitation, rights of enforcement, equity or reimbursement, until after the approvals of the City Council and the Mayor and the Corporation Counsel, and until the lease, LDA and all related documents are fully executed and approved. The terms of the lease and LDA, after execution, shall govern the relationship between the City and the Developer. In the event of any variance between the terms of this RFQ and the lease or the LDA, the terms of the lease and/or LDA will govern.

K. The City reserves the right, in its sole discretion, to reject at any time any or all applications, to withdraw the RFQ, to negotiate with one or more applicants, and/or negotiate and dispose of the Site on terms other than those set forth herein (including to parties other than those responding to this RFQ). The City likewise reserves the right, at any time, to waive compliance with, or change any of the terms and conditions of this RFQ or to entertain modifications or additions to selected applications. In addition, HPD retains the right to at any time add buildings or vacant lots to the Site.

L. All determinations as to the completeness or compliance of any applications, or as to the eligibility or qualification of any applicant, will be within the sole discretion of the City.

M. The City advises all applicants that there is no legal obligation on the part of the City to convey the Site offered through this RFQ through a competitive process and that the City reserves the right to use the applications submitted pursuant to this RFQ as a basis for negotiation with applicants as the City deems appropriate.

N. This RFQ and any agreement resulting there from are subject to all applicable laws, rules and regulations promulgated by any Federal, State, or municipal authority having jurisdiction over the subject matter thereof, as the same may be amended from time to time.

O. HPD may select a third party for conveyance of the property by any method which it determines will best meet the purposes of this project.

X. CONFLICT OF INTEREST

Employees of the City of New York or New York City Health and Hospitals Corporation may submit offers for the purchase of properties described herein only in accordance with the section(s) of Chapter 68 of the New York City Charter governing ethics and conflicts of interest affecting City personnel. Section 2604(b)(7) of the City Charter contains specific prohibitions that exclude enumerated groups of employees from participating in the sales process. In addition, current HPD or HHC employees may not respond to this RFQ.

Persons in the employ of the City or New York City Health and Hospitals Corporation considering the submission of an application for the purchase of property described herein

are advised that opinions regarding the propriety of their purchase of City-owned property may be requested from the New York City Conflict of Interests Board. This body is empowered, under Section 2602 of the City Charter, to issue advisory opinions on conflict of interest questions and other matters of ethical consideration. It is not necessary, however, that such an opinion be obtained prior to responding to this RFQ.

Former employees of the City of New York or New York City Health and Hospitals Corporation are also advised that the City Charter imposes certain restrictions on post-employment business relationships with the City. Such individuals should consult the specific provisions on this issue contained in the City Charter.