

REQUEST FOR PROPOSALS

New York City Economic Development Corporation & NYC Department of Housing Preservation and Development



Rockaway Firehouse Redevelopment

Release Date: Wednesday, October 22, 2008

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TABLE OF CONTENTS

INTRODUCTION/OBJECTIVE	2
Map 1: Site Location	3
SITE CONTEXT & DESCRIPTION.....	4
Existing Conditions.....	4
Zoning and Land Use	4
Transportation and Parking	5
Map 2: Area Zoning.....	6
Map 3: Area Land Use.....	7
Map 4: Transportation.....	8
DEVELOPMENT GOALS, GUIDELINES & PROCESS	9
Development Goals.....	9
Development Guidelines	9
Development Process.....	9
PROPOSAL REQUIREMENTS.....	10
A. Project Description	10
B. Financial Information.....	10
C. Respondent Description	10
D. Description of Community Benefits.....	11
E. Site Plan & Architectural Design	11
F. Zoning Calculation.....	11
G. Green Building/Sustainable Design	11
H. Construction Schedule.....	11
I. MWBE/Local Hiring and Utilization Plan	11
J. Statement of Agreement.....	12
SELECTION CRITERIA.....	12
DEVELOPER DUE DILIGENCE	14
Site Information File	14
DISPOSITION PROCESS.....	14
Public Review Process/Environmental Review	14
Negotiation Period.....	14
SITE VISIT & INFORMATIONAL MEETING/QUESTIONS.....	15
HOW TO SUBMIT	15
CONDITIONS, TERMS & LIMITATIONS.....	15
FURTHER INFORMATION.....	16
APPENDIX 1: DACE Inspection Report.....	17
APPENDIX 2: Development Team Information and Applicant Questionnaire	19
APPENDIX 3: Green Building Information.....	29
APPENDIX 4: Conditions, Terms, and Limitations.....	31
APPENDIX 5: Economic Development Benefits.....	33
APPENDIX 6: Waiver for Site Visit	35
APPENDIX 7: UDAAP Information	36

INTRODUCTION/OBJECTIVE

New York City Economic Development Corporation (“NYCEDC”) and New York City Department of Housing Preservation and Development (“HPD”) are jointly seeking proposals for the rehabilitation and redevelopment of the former Rockaway Beach Boulevard Firehouse (the “Site”) located at 58-03 Rockaway Beach Boulevard in Queens, New York.

The purpose of this Request for Proposals (“RFP”) is to solicit proposals from prospective respondents (“Respondents”) interested in purchasing and redeveloping the Site as a community, educational and/or cultural facility. The Respondent ultimately selected for the project through this RFP is referred to herein as the “Selected Developer”. Potential acceptable Respondents for the Site include not-for-profit community or educational entities and not-for-profit cultural institutions. Potential uses for the Site may include office, workshop, classroom and multi-purpose space; community exhibition and meeting space; and performance and rehearsal space, among other uses.

The development proposal for the Site should accomplish several important goals:

- Redevelop the Site into an active space for community, educational, and/or cultural use
- Reuse the Site in a manner that directly benefits the surrounding community
- Preserve the character and appearance of the Site to the extent feasible
- Create a financially feasible and economically viable project
- Rehabilitate the Site in accordance with existing zoning, and other regulatory controls
- Serve as a clear example of high-quality, sustainable design and construction

In the spring of 2007, the Deputy Mayor for Administration established a community steering committee (“Steering Committee”) to develop plans and an adaptive reuse strategy for the Site, and to ensure that its future use would fit the needs of the local community. The Steering Committee includes representatives from the Mayor’s Office, various city agencies, Council Member James Sanders’ Office, Borough President Helen Marshall’s office, and the Community Board. NYCEDC and HPD will consult with the Steering Committee during the selection process.

MAP 1: SITE LOCATION

Rockaway Firehouse

Borough: Queens

Neighborhood: Arverne

Block: 15926

Lot: 44

Community District: 414

Points of Interest:

1. Arverne by the Sea
2. Arverne East Nature Preserve
3. Ocean Village Mitchell-Lama



SITE CONTEXT & DESCRIPTION

Home to former Engine Company 265 and Ladder 121, the Site was decommissioned in 2004 and is currently vacant. The two-story building has 7,200 square feet of floor area and is bounded by Rockaway Beach Boulevard to the North, Beach 56th Place to the East, the Rockaway Beach boardwalk to the South, and Beach 59th Street to the West. See Map 1 on page 3. The Site is located on the eastern edge of the Arverne neighborhood of Queens.

Arverne is situated in the central portion of the Rockaway Peninsula. Like most of the Rockaways, Arverne was initially developed in the late 19th Century with beachfront bungalows and recreational facilities as a vacation and resort area. However, the popularity of the Rockaways as a vacation destination waned and much of the area's development was demolished through the City's urban renewal process.

The Site lies directly between two large City-sponsored private, mixed-use developments, known as Arverne-by-the-Sea and Arverne East. Together these projects will account for nearly 4,000 new housing units constructed on the Rockaway Peninsula and will redevelop land that has lain vacant for decades.

The Site's location qualifies it for certain as-of-right and competitive tax benefits and incentives. Appendix 5 summarizes the benefits and incentives that may be available to development projects on the Site, including tax abatements, exemptions and credits, amongst others.

Existing Conditions

The Site is located on Block 15926, Lot 44, in Community District 14. The Site has a lot square footage of approximately 6,600 square feet and a building square footage of approximately 7,200 square feet. Based on a visual inspection conducted by HPD's Division of Architecture, Construction and Engineering (DACE) in April 2007, the structural condition of the building appears adequate for reuse. See Appendix 1 for full report.

Zoning and Land Use

The building is located in a residential R6 district with a C2-4 overlay, which usually permits residential and community facility uses as of right. See Map 2 on page 6. The maximum floor area ratio (FAR) is 2.43 for residential, 4.8 for community facilities and 2.0 for commercial uses. However, the Site is also subject to the regulations of the Arverne Urban Renewal Plan. The Urban Renewal Plan limits uses of the Site to community facility uses, use groups 3 and 4 in the Zoning Resolution. A copy of the Urban Renewal Plan is included in the Site File. All proposals for the Site must conform to the provisions of the Urban Renewal Plan. Proposals for residential use will not be considered.

The land uses immediately surrounding the Site are primarily high-density residential. See Map 3 on Page 7. The Rockaway Peninsula as a whole is characterized by a mix of

residential and commercial land uses, interspersed with public facilities and vacant parcels. The housing stock ranges from small bungalow-style, single-family homes to large high-rise, multi-family buildings. Most of the higher-density housing is concentrated along the shoreline at the southern edge of the peninsula.

While commercial spaces are predominantly clustered in the Far Rockaway, Hammels and Seaside neighborhoods, each neighborhood has a commercial strip containing small, local retailers. The majority of commercial establishments provide neighborhood services. Establishments include supermarkets, restaurants, fast food stores, banks, laundromats, barbers/hair salons and auto-related uses.

Transportation and Parking

The Site is advantageously located directly across the street from the 60th Street A Train subway station and just off Rockaway Freeway. It is also served by the Q22 and QM17 buses. See Map 4 on page 8. There is a limited amount of on-street parking. The Cross Bay Bridge, providing access to Queens and Brooklyn, is located approximately 2 miles west of the Site.

MAP 2: AREA ZONING

Rockaway Firehouse

Source: Department of City Planning

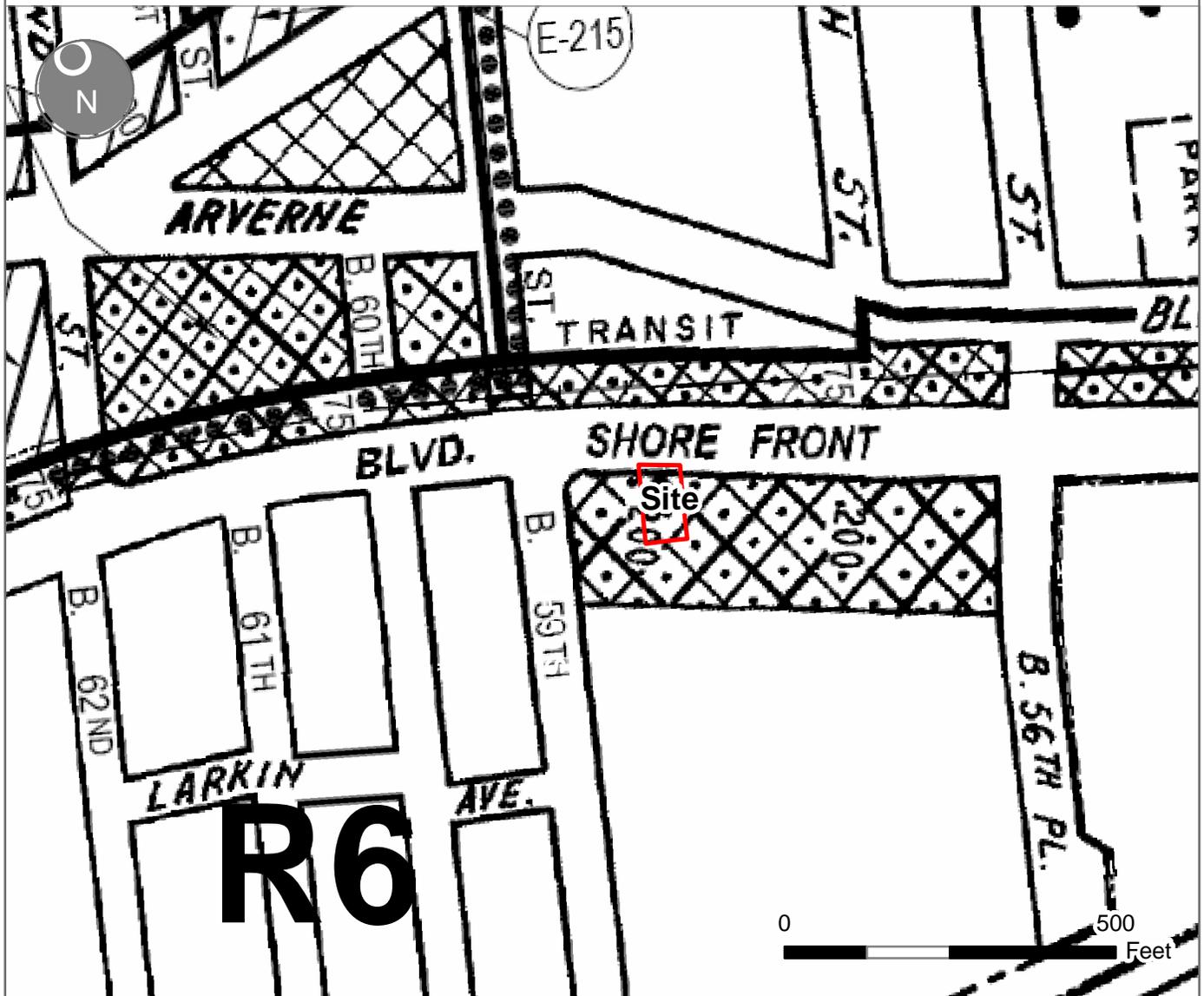
Zoning Map 30C

<http://www.nyc.gov/html/dcp/pdf/zone/map30c.pdf>

 = C2-4 overlay



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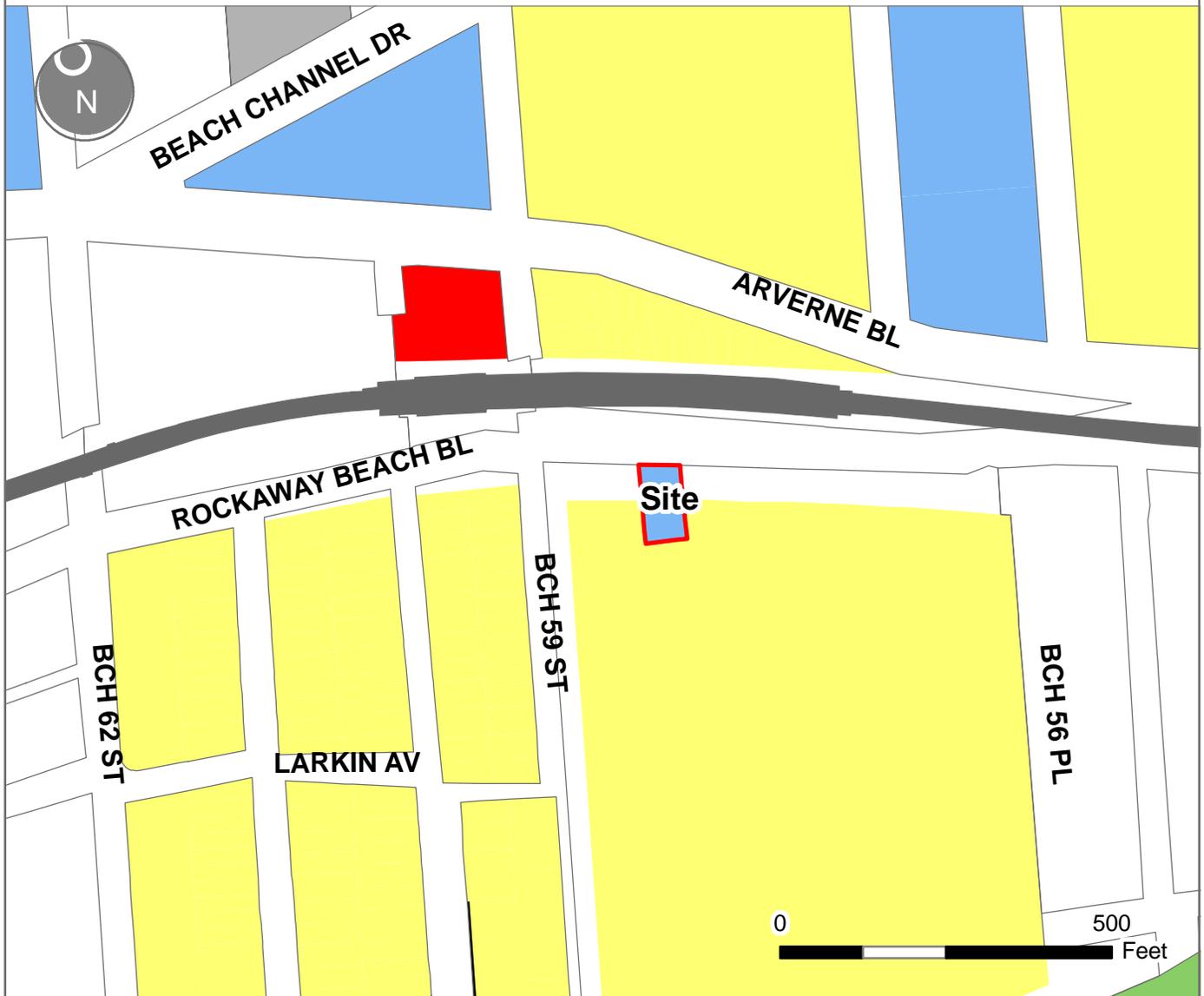
MAP 3: AREA LAND USE

Rockaway Firehouse

- Residential
- Mixed-Use
- Commercial & Office
- Industrial & Manufacturing
- Transportation & Utility
- Institutions & Public
- Parks & Open Space
- Parking Facilities
- Vacant Land
- Other/Unknown



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MAP 4: TRANSPORTATION

Rockaway Firehouse

— City Bus Routes

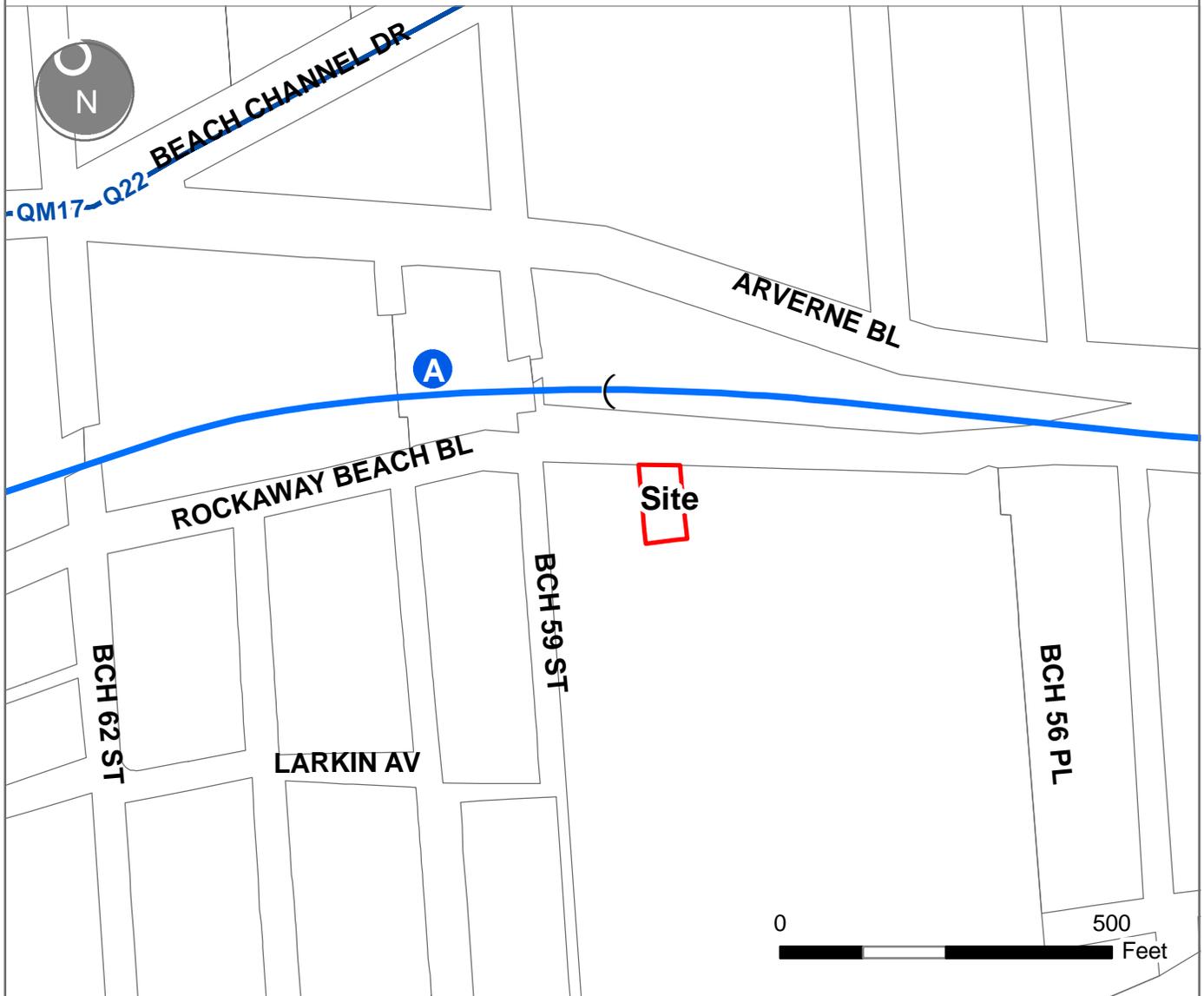
— Highways

(Subway Stations

Beach 60th Street **A**



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DEVELOPMENT GOALS, GUIDELINES & PROCESS

Proposals for the Site must be developed according to the goals and guidelines listed below. Proposals should be for community, educational and/or cultural use. Proposals for medical and medical-related uses will not be considered. In addition, as noted in the Zoning and Land Use section, proposals for residential uses will not be considered.

Development Goals

- Redevelop the Site into an active space for community, educational, and/or cultural use
- Reuse the Site in a manner that directly benefits the surrounding community
- Preserve the character and appearance of the Site to the extent feasible
- Create a financially feasible and economically viable project
- Rehabilitate the Site in accordance with existing zoning, and other regulatory controls
- Serve as a clear example of high-quality, sustainable design and construction

Development Guidelines

Design – Design must be context-sensitive and consider the project’s relationship to the surrounding community. Architectural design, urban design, and the redevelopment program must be consistent with applicable zoning, environmental, and other regulatory controls. The design shall maximize the sustainable performance of the project by integrating high performance measures and sustainable design practices where appropriate, while preserving the character and appearance of the Site. Various degrees of demolition, reconstruction and/or expansion are allowable if consistent with the development goals outlined above.

Ownership Structure – Respondents may seek to purchase and redevelop the Site under one of the following ownership structures: single owner/occupant; single owner with multiple occupants; or multiple owners with a single occupant.

Purchase Price – The Site will be sold for \$1.

Funds and Financing– The Selected Developer will be responsible for project redevelopment and all associated funding and financing related to the Site, including, but not limited to: development costs; ongoing maintenance and operation costs; and an endowment and/or capital reserve fund, if necessary. Potential sources of revenue may include corporations, foundations, federal or state subsidy, special events, donations, program revenue, earned income and other miscellaneous income, amongst others.

Development Process

NYCEDC, HPD and the Mayor’s Office will jointly recommend a Selected Developer from amongst the Respondents. HPD will ultimately select and enter into negotiations with the Selected Developer. HPD will take the project through the applicable required public approval process.

PROPOSAL REQUIREMENTS

Each complete proposal must contain the following elements:

A. Project Description

The project description should be a detailed narrative describing relevant aspects of the project, including redevelopment plans and schedule, and the Respondent's operation assumptions. The project description must address each of the issues detailed in the Development Guidelines.

B. Financial Information

Respondents must provide the following financial information:

- Current operating budget and previous three years of audited financials
- Pro forma cash flows for the proposed project for five years. Respondents must outline all assumptions on which the pro forma document is based, including minimum returns sought. The pro forma document should include all necessary capital improvements over time, reserves, and debt service payments associated with construction financing;
- A construction budget defining specific hard and soft costs, and sources and uses of funds;
- A detailed description of proposed equity investment and construction and permanent financing;
- Letters of interest and/or intent from lenders, if applicable.
- Letters of interest and/or intent from tenants, if applicable.

In order to complete our analysis in a timely manner, the pro forma document must be submitted as a hard copy within the submission sets and on a computer disc in Excel.

C. Respondent Description

Respondents must demonstrate sufficient financial resources and professional ability to redevelop the Site in a manner consistent with the relevant proposal. In addition, Respondents must complete and submit an HPD Development Team Information and Applicant Questionnaire, a copy of which is attached as Appendix 2. Each proposal must include a description of the Respondent's team, including:

- Current organizational structure, including members of Board of Directors and staff.
- Respondent's programming and mission including, as applicable, community outreach and educational programs.
- Documentation of a record of accomplishments.
- Description of any previous experience with capital projects, such as the development or redevelopment of a facility, as operator, manager, designer and/or builder; and debt offerings or other borrowings.

- Evidence of major fundraising and/or capital campaign capacity and experience.
- Background information on all members of the Respondent’s team, including the relevant experience of all principal members thereof and their availability for commitment to the project. This information must be submitted for every participant in a joint venture.
- Any additional documentation or information evidencing the strength of the Respondent’s team and their ability to complete the project.

D. Description of Community Benefits

Respondents must describe and quantify the direct benefits to the community from the proposed project. Specifically, Respondents must provide a narrative detailing the anticipated clientele and approximate number of clientele to be serviced, and a description of programs available to such persons.

E. Site Plan & Architectural Design

Respondents must provide conceptual drawings for the redeveloped Site, including site-use plans, floor plans, renderings of the redeveloped Site, and a summary of the proposed building program with all square footages identified. Ten (10) copies of the conceptual drawings for the Site must be provided. Drawings must indicate the graphic scale.

F. Zoning Calculation

Respondents must provide a preliminary zoning analysis showing all calculations, and must also identify all permits and authorizations required for the proposed redevelopment.

G. Green Building/Sustainable Design

Respondents must submit a Green Building Plan that includes a narrative describing the proposed project’s sustainable design goals and declaration of commitment to incorporate the specific criteria into the overall project design.

A list of Green Building resources and contact information can be found in Appendix 3.

H. Construction Schedule

Respondents must provide a construction schedule for the proposed project.

I. MWBE/Local Hiring and Utilization Plan

Respondents must submit a plan to address both MWBE and local business participation in the project and local hiring (the “MWBE/Local Hiring and Utilization Plan” or “LHUP”).

NYCEDC and HPD are dedicated to furthering the participation of minority and women-owned businesses in its work. The MWBE component of the LHUP must outline methods to facilitate the participation of women-owned and minority-

owned businesses (as certified by the New York City Department of Small Business Services) in the project.

The local hiring component of the LHUP must outline methods for encouraging local hiring during and post construction, and address items such as, but not limited to:

- Identification of local businesses seeking construction work on the project;
- Sizing of bid packages to facilitate participation of smaller enterprises;
- Recruitment of local employees seeking construction work on the project and the provision of training programs, apprenticeships, and other professional development opportunities for such employees;
- Targeting of recruitment to currently unemployed or underemployed segments of the population;
- Participation in local trade fairs;
- Ideas for ongoing implementation and monitoring of proposed LHUP components.

The LHUP must also detail the anticipated number, type, and wage level of post-construction jobs to be created at the Site.

J. Statement of Agreement

The Respondent must submit a statement signed by an authorized principal or officer of the Respondent that states that the Respondent has read this RFP and the Appendices fully and agrees to the terms and conditions set forth in this RFP and in the Appendices.

SELECTION CRITERIA

In addition to evaluating Respondents on the extent to which they achieve the program goals as described in the Development Goals, Guidelines, and Process section, NYCEDC and HPD will jointly evaluate each proposal according to the criteria listed below. NYCEDC and HPD will take into account the information provided in the Proposal, references, and any other information about the Respondent's performance available to NYCEDC and HPD. Proposals that are not complete or do not conform to the requirements of this RFP will not be considered. NYCEDC and HPD reserve the right to request additional information, site visits, interviews, or presentations.

- *Economic Impact on / Spending in New York City* – projected expenditures, total project costs, annual operating costs; temporary (construction) and permanent on-site employment and payroll; and any applicable New York City taxes such as real property, sales, and personal income taxes, reduced by any as-of right and discretionary incentives and benefits assumed;

- *Land Use and Design* – thoughtful and innovative architecture and design that responds to the site and the Development Goals and Guidelines listed in the RFP; extent to which development potential is maximized in a manner consistent with applicable zoning, environmental, and other regulatory controls; overall quality of design and construction will be given significant consideration;
- *Respondent Team Qualifications* – experience, development skills, and financial resources necessary to complete a high-quality project on time and within budget; previous experience in managing and operating not-for-profit community and/or cultural institutions to the satisfaction of the tenants, in a financially sustainable manner, and in compliance with all applicable laws; board of trustees fundraising capacity and/or commitment to the proposed project. Among the factors that will be considered are experience in managing non-profit tenants, including record keeping, and reporting requirements of subsidy programs for such tenants;
- *Financial Feasibility* – the Respondent Team’s demonstrated financial condition to complete the project; availability of identifiable funding sources to finance the project; and sufficient revenue to support operating expenses, scheduled payments related to capital costs, reserve fund contributions and debt service;
- *Relationship to Surrounding Community* – project design and programming offered to the community must be context-sensitive, considering the project’s relationship to the surrounding community and neighborhood. The project must be an asset to the area and consider the development’s relationship to the surrounding community and existing neighborhood. NYCEDC and HPD will evaluate each proposal to determine the Project’s positive impact on the community and responsiveness to the neighborhood context;
- *MWBE and Local Hiring Utilization Plan* – degree to which the MWBE and LHUP addresses the goals outlined in the RFP;
- *Schedule* – demonstration of ability to complete the project, given the constraints set forth in the development guidelines, in a timely fashion;
- *Green Building Plan* – the extent to which proposals incorporate green building, sustainable development, and “smart building” concept and technologies in order to enhance overall design and construction, while simultaneously making the building environmentally responsible.

DEVELOPER DUE DILIGENCE

It is the Respondent's responsibility to conduct due diligence on the Site.

Site Information File

NYCEDC's Site Information File (the "File"), containing important public information regarding the Site, will be available for purchase for \$100 or can be viewed for free by appointment at the offices of NYCEDC. Respondents are encouraged to view the File prior to submitting a proposal. To review or purchase the File, please contact Liliana Ruiz at 212.312.3840 or lruiz@nycedc.com.

The File contains:

- Photos of the Site
- ULURP Application and the CPC ULURP Report
- Tank closure documentation
- Map collection, including the tax map, zoning map and Sanborn map
- Phase I (to be added by November 2008, post-RFP release)
- Arverne Urban Renewal Plan
- Building maintenance reports and building drawings from FDNY
- Rockaway peninsula demographic report

DISPOSITION PROCESS

Public Review Process/Environmental Review

Site disposition will be subject to approval as an Urban Development Action Area Project (UDAAP). Such approval is subject to review by the City Planning Commission, and City Council, with approval by the City Council and Mayor. HPD shall initiate the necessary UDAAP approvals following developer designation. While disposition of the site was previously approved pursuant to the Uniform Land Use Review Procedure (ULURP), HPD nevertheless will need to initiate the UDAAP process due to statutory requirements pertaining to HPD-initiated dispositions. Please note that UDAAP typically requires a minimum of 6 months for completion, if not longer. Please refer to Appendix 7 for further information on the UDAAP process.

Negotiation Period

After review of the proposals NYCEDC and HPD will jointly select and HPD will commence negotiations with the Selected Developer.

During the negotiation period, the Selected Developer will be expected to complete its due diligence, including ordering a title report from a reputable title insurance or abstract company if applicable. NYCEDC commissioned a Phase I environmental analysis report, which is expected to be available by the end of November 2008. The cost of the Phase I will be reimbursed by the Selected Developer at the commencement of Negotiations. All due diligence items must be prepared at the sole cost and expense of the

Selected Developer. All work products shall become property of NYCEDC and HPD upon submission. These expenses are non-refundable.

By the end of the negotiation period, the Selected Developer will be expected to have entered into a contract for the purchase of the Site with a city agency to be determined.

SITE VISIT & INFORMATIONAL MEETING/QUESTIONS

There will be an information session/site tour held on **Wednesday, November 12, 2008 at 12PM at the Site**, located at 58-03 Rockaway Beach Boulevard. Those who wish to attend should RSVP by contacting Liliana Ruiz at 212-312-3840 or lruiz@nycedc.com on, or before, **Thursday, November 6, 2008**. Directions and specific information will be provided upon RSVP. Interested parties are strongly encouraged to attend this event. All parties attending the event must fill out and bring a waiver form. A blank waiver form is attached hereto as Appendix 6. For those who aren't able to attend, the questions asked and answered at the session will be posted on the website by **Wednesday, November 19, 2008**.

Respondents may submit questions and/or request clarifications by emailing **rockawayfirehouserfp@nycedc.com**; all questions will be answered within a week. No questions will be accepted after 4PM on **Tuesday, December 30, 2008**. Answers to all questions will be posted by **Monday, January 5, 2009**, to www.nycedc.com/RFP. For all questions that do not pertain to the subject matter of this RFP please contact NYCEDC's Contracts Hotline at 212.312.3969.

HOW TO SUBMIT

Ten (10) copies of the submission and one (1) electronic version of the submission on disc in .pdf format identified by "Rockaway Firehouse Redevelopment" on the envelope must be submitted to and received by NYCEDC by **4PM on Thursday, January 8, 2009**. Such proposals must be delivered to the following address:

New York City Economic Development Corporation
110 William Street, 6th Floor
New York, NY 10038
Attn: Maryann Catalano, Vice President of Contracts

CONDITIONS, TERMS & LIMITATIONS

This RFP and any transaction resulting from such proposals are subject to the conditions, terms and limitations set forth in Appendix 4.

FURTHER INFORMATION

For further information regarding the proposal requirements or the Site, please contact:

Clare Newman, Senior Project Manager
NYC Economic Development Corporation
110 William Street
New York, NY 10038
212.312.4264
cnewman@nycedc.com

APPENDIX 1: DACE Inspection Report

The City of New York
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
Office of Housing Operations
Division of Architecture, Construction and Engineering
nyc.gov/hpd

DEPARTMENTAL MEMORANDUM

DATE: April 19, 2007

TO: **Jenna Breines**, Division of Planning and Pipeline Development

FROM: **Peter Grebski, P.E.**, Director BDR/DACE

SUBJECT: Vacant Firehouses Inspection
**58-03 Rockaway Beach Boulevard,
Block 15926, Lot 44**



This memo addresses DACE site inspection of the above referenced firehouse which was decommissioned and is currently vacant. The below information is based on the visual inspection on Thursday morning, April 12, 2007. Drawings were not available.

Scope

The scope was to determine via visual inspection the structural and general conditions of this building and to comment on the following development options:

1. The future use of this building as a vocational school,
2. Extending the existing fire station with a new building and
3. The replacement of the old fire station with a new building.

The findings are as follows:

a. History

Though it is not exactly known when the fire station was erected, it most likely dates from the late 19th / early 20th century.

b. Description of the Building

The building is a detached two-story building. The **first floor** (approx. 14 feet floor to ceiling height) is comprised of the more or less unobstructed main space and a raised extension to the rear. The **second floor** (approx. 9 feet floor to ceiling height) is divided in a number of cellular spaces. Access to the **roof** was not possible and the **cellar** was flooded and could not be accessed either.

c. Available Site

Currently, a **strip of land** on either side of the fire station along Rockaway Beach Boulevard is owned by HPD.

A parking lot for the adjacent high-rise residential project is located to the south and partly to the west of the building. The suggestion was made that there is the possibility of **land exchange** to create a larger corner lot.

Because of the aforementioned, the lot boundaries for the **site available** for development are currently **unknown**.

d. Zoning and Code

The building is located in a residential **R6 district** and the zoning map shows a **C2-2 (?) overlay**.

Zoning issues relevant to lot lines should be determined when the extent of the lot boundaries have been defined.

e. *Structural Condition*

Based on the visual inspection, the structure is stable enough to be reused as a vocational school. There is a small crack on the west façade.

f. *Potential Development Options*

Conversion of the existing building:

The building would be suited for a vocational school. The first floor could be a workshop with offices and class rooms on the second floor and the adjacent site might be used as an out door class room. Depending on the Index of Ventilation and whether natural ventilation (e.g. windows) is available, the need for mechanical ventilation is likely. The building should be laid out and operated in a way that wheelchair access is only required on the first floor.

Extension of the existing building:

1. The extension of the building on a 'newly created' corner lot is possible. The permissible FAR is 4.80 and the maximum lot coverage 70% (ZR 24-11, use group 4). The existing building counts towards the allowable floor area and lot coverage.
2. Another option would be additional stories.

ZR 54-30 states that a "...non-complying building or other structure may be enlarged or converted, provided that no enlargement or conversion may be made which would either create a new non-compliance or increase the degree of non-compliance of a building or other structure or any portion thereof".

Replacement of the existing building with a new one:

The replacement of the existing building with a new building is possible. However, the fact that the fire station is one of the last remainders of the historic urban fabric in the immediate neighborhood should be considered.

g. *Cost*

In addition, you asked us to comment on the following:

1. The cost of rehabilitation on average is about \$200 per sf.
2. Generally, there is no real cost difference between the conversion of an existing building and preserving the existing façade with a new building behind. However, the option of preserving the façade only is not practical.
3. It is likely that there is lead paint and asbestos within the building and the removal cost would add to the project cost. For example, in a scheme that extends the existing structure with a new building next to it, the additional cost would be approx. 2%. However, the extent of contamination in the building should be determined before more exact figures can be given.

Conclusion

As a next step, it is suggested that the area's needs and future use be determined (e.g. the vocational school). This, along with the size of the site, if land exchange were a viable option, would influence the required building envelope.

Cc: J. Breines, J. James-Hernandez, P. Quinger, file.

APPENDIX 2: Development Team Information and Applicant Questionnaire

Development Team Information

If the Applicant is a joint venture, a separate Applicant Questionnaire must be provided for each entity that comprises the joint venture, as identified below. If additional space is needed, please submit separate sheet(s), stating the question(s) being answered on each sheet. All responses must be typed.

1. Applicant Information

Name of Applicant: _____

Address: _____

Name of Contact for Applicant Entity: _____

Address: _____

Telephone: _____ Fax: _____

E-mail: _____

2. Composition of Applicant Entity

Is the Applicant a joint venture? Yes [] No []

If yes, list below each Principal (individual and/or organization) that comprises the joint venture. Include the names, addresses, telephone and fax numbers, e-mail addresses, and percentages of ownership of the proposed development.

Name/Organization	Address	Telephone/Fax/E-mail	% Ownership

3. Development Team Consultants

List below each consultant (individual and/or organization) that comprises the Development Team. Include the names, addresses, telephone and fax numbers, and e-mail addresses. The Development Team may include other Team Roles that are not listed below; please include all known Team Roles. If unknown, enter "N/A".

Team Role	Name/Organization	Address	Telephone/Fax/E-mail
General Contractor			
Architect			
Landscape Architect			
Engineer			
Managing Agent (Residential and/or Community Center)			
Marketing Agent (Residential and/or Community Center)			
Legal Counsel			
Other			
Other			
Other			

Principal Questionnaire

If a joint venture, a separate Principal Questionnaire must be provided for each individual and/or organization that comprises the Applicant Entity.

1. Principal Information

Name of Principal: _____

2. Individual/Organization Information

Provide the following information about all individuals that make up the Principal completing this questionnaire. State the role that each would play in the development of the Site, using the categories specified below. For corporations, provide the names of the officers and any shareholders owning 10% or more. For partnerships, provide the names of all general partners.

Name/Position/Title	Home Address	Role*	% Owned	Social Security #

*Role categories:

- GP = General/Managing Partner
- GC = General Contractor
- F = Provides Financing, Inactive
- A = Architect
- L = Legal Services
- MR = Marketing Agent, Residential
- MC = Marketing Agent, Community Center
- O = Other (specify)

3. References

For each of the following categories, provide the name, address, and telephone and fax numbers of at least three business references that we may contact regarding your experience. For each reference, identify the property or properties with which the individual is familiar.

- New Construction Experience
- Marketing Experience – Residential
- Leasing Experience – Retail/Commercial, Community/Institutional
- Management Experience – Residential, Community/Institutional
- Financial Capacity

4. Other

Has any individual identified in Section 2 of this questionnaire, or any organization in which the Individual is or was a general partner, corporate officer, or owned more than 10% of the shares of the corporation, been the subject of any of the following:

1. Arson conviction or pending case? Yes [] No []
2. Harassment complaint by the New York State Division of Rent Control or the New York State Division of Housing and Community Renewal? Yes [] No []
3. Had an ownership or management interest in a property that was taken in rem by the City or assigned by a judge of Landlord and Tenant Court to a 7A administrator or receiver? Yes [] No []
4. City mortgage foreclosure or currently more than 90 days in arrears on any City loan? Yes [] No []
5. Default on any contract obligation or agreement of any kind or nature entered into with the City or one of its agencies? Yes [] No []
6. In the past 10 years, failed to qualify as a responsible bidder, or refused to enter into a contract after an award has been made, privately or with any government agency? Yes [] No []
7. In the last 7 years, filed a bankruptcy petition or been the subject of involuntary bankruptcy proceedings? Yes [] No []
8. In the last 10 years, failed to file any required tax returns, or failed to pay any applicable Federal, State of New York, or City taxes or other charges? Yes [] No []
9. Been convicted of fraud, bribery, or grand larceny? Yes [] No []

If the answer to any question is yes, provide the following information about each instance: name(s) of individual(s), name(s) of organization(s) or corporation(s), individual's title(s) or role(s) in the organization (e.g. officer), date of the action(s), and current status and disposition.

Name of Principal: _____

Signature of Individual: _____

Print name and Title of Individual: _____

5. Certification

This certification must be signed by one of the individuals listed above. If the Applicant Entity is a joint venture, an individual representing each Principal of the joint venture must sign it.

I certify that the information set forth in this application and all attachments and supporting documentation is true and correct. I understand that the City of New York will rely on the information in or attached to this document and that this document is submitted to induce the City of New York to select this Proposal for development of the Site.

I understand that this statement is part of a continuing application and that until such time that the subject Project is finally and unconditionally approved by the City of New York, I will report any changes in or additions to the information herein, and will furnish such further documentation or information as may be requested by the City of New York or any agency thereof.

I understand that if I receive preliminary designation to develop this site, I must submit all additional disclosure forms required.

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

Form– Not-For-Profit Organization: Applicant Description

Name of Applicant: _____

Name of Organization: _____

Office Address: _____

Executive Director: _____

Contact Person: _____ Title: _____

Phone: _____ Fax: _____

Describe Role of Organization in Project (e.g., Developer, Managing Agent, Marketing Agent, etc.):

Certification: I certify that the information set forth in this disclosure statement and its attachments is true and correct.

Signature of Officer

Print Name and Title

Date

APPENDIX 3: Green Building Information

Background Information for High Performance/Green Building Development

Please refer to the following list of Internet resource sites to facilitate with high performance/green building research. In addition, please refer to LEED and the New York State Green Building Tax Credit guidelines.

Green Building Funding Sources: New York State Green Building Tax Credit

New York State Department of Taxation and Finance

Business Tax Hotline:
1-800-972-1233
General Tax Information Hotline:
1-800-225-5829

New York State Energy Research and Development Authority

Craig Kneeland, Project Manager
(518) 862-1090 ext. 3311
e-mail: cek@nyserra.org

New York State Department of Environmental Conservation

James Austin, Assistant Commissioner
Phone: (518) 485-8437
e-mail: jdaustin@gw.dec.state.ny.us
web-site: <http://www.dec.state.ny.us>

Green Building Program Information:

New York State Energy and Research Development Authority

For more information about NYSERDA's building Programs, contact:

NYSERDA
Technical Communications Unit
Corporate Plaza West
286 Washington Avenue Extension
Albany, NY 12203-6399
Phone: (518) 862-1090 ext 3250
web-site: <http://www.nyserra.org>

United States Department of Energy

For more information about USDOE building programs, contact:

Dru Crawley
1000 Independence Avenue, SW
Washington, DC 20585
Phone: (202) 586-2344
Fax: (202) 586-1628

e-mail: drury.crawley@ee.doe.gov
web-site: <http://www.doe.gov>

Green Building Resources:

Web-Sites:

American Council for an Energy-Efficient Economy
<http://www.aceee.org>

Energy Efficiency and Renewable Energy Network (EREN)
<http://www.eren.doe.gov>

Energy Star Program (U.S. EPA)
<http://www.energystar.gov>

Environmental Building News
<http://www.ebuild.com>

Environmental Defense Fund
<http://www.edf.org>

National Resources Defense Council
<http://www.nrdc.org>

New York State Energy and Research Development Authority
<http://www.nyserda.org>

Rocky Mountain Institute
<http://www.rmi.org>

Southface Energy Institute
<http://www.southface.org>

US Department of Energy
<http://www.doe.gov>

US Environmental Protection Agency
<http://www.epa.gov>

US Green Building Council
<http://www.usgbc.org>

APPENDIX 4: Conditions, Terms, and Limitations

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

The Site is to be disposed of in its "as is" condition. The City, its officers, agents and employees make no representation whatsoever as to the physical condition of the Site or its suitability for any specific use.

The Site shall be subject to New York City Real Property Taxes and charges. Tax benefits may be available under the 421-a, UDAAP, 420-c, and/or 420-a tax exemption programs.

The proposed Project shall conform to, and be subject to, the provisions of the New York City Zoning Resolution, Building Code, 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.

Valid permits and approvals, as required by City, State, and Federal agencies, shall be obtained by the Developer prior to commencing work.

The selection of an Applicant will depend on satisfaction of the additional documentation and review requirements described in this RFP, and will be subject to the subsequent approval of the Mayor.

The City will convey the Site pursuant and subject to the provisions of the LDA. HPD will recommend to the Mayor the acquisition price as stated. Where required, all documentation, including but not limited to the deed and LDA, shall be in form and substance satisfactory to the City Council, Mayor, and 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.

No transaction will be consummated if any Principal of any conditionally designated Developer is in arrears, or in default upon any debt, lease, contract, or obligation to the City of New York, including without limitation, real estate taxes and any other municipal liens or charges. The City reserves the right not to review any Proposal by any such Applicant.

No commission for brokerage or any other fee or compensation shall be due or payable by the City, and the submission of a Proposal 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 RFP, the conditional designation of a Developer pursuant to this RFP, or the sale of the Site.

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 RFP.

The selection of an Applicant will mean only that HPD may commence negotiations with that Applicant regarding the development of the Development Site. HPD will send written notification ("Negotiation Letter") to the selected Applicant. The selected Applicant must begin pre-development work within thirty (30) days of the date of the Negotiation Letter. The selected Applicant will be expected to start construction on the date specified in their Development

Schedule; however, the Applicant must expect to commence construction no later than twelve (12) months from the date of the Negotiation Letter.

This RFP does not represent any obligation or agreement whatsoever on the part of the City. Any obligation or agreement on the part of the City may only be incurred after the City enters into a written agreement approved by the Mayor and Corporation Counsel. The City is under no legal obligation to convey the Development Site offered through this RFP through a competitive process. The City reserves the right to use the Proposals submitted pursuant to this RFP as a basis for negotiation with Applicants as the City deems appropriate. HPD may reject at any time any or all Proposals, amend or withdraw this RFP in whole or in part, negotiate with one or more Applicants, and/or negotiate and dispose of the Development Site on terms other than those set forth herein (including to parties other than those responding to this RFP). HPD may also, at any time, waive compliance with or change any of the terms and conditions of this RFP, entertain modifications or additions to selected Proposals, or withdraw the Site or portions of the Site from or add individual parcels to this RFP.

Selection of an Applicant's Proposal 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, Mayor, and Corporation Counsel, and until the deed, LDA, and all related documents are fully executed and approved. The terms of the deed 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 RFP and the deed or the LDA, the terms of the deed and/or LDA will govern.

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

This RFP 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.

APPENDIX 5: ECONOMIC DEVELOPMENT BENEFITS

The following are economic development benefits that may be available to certain types of projects if the project meets eligibility requirements, including but not limited to factors such as site use and location. The descriptions are for general informational purposes only. The potential benefits and incentives described herein are subject to approval by the appropriate government agencies. Accordingly, neither the RFP respondents nor any third party should view the contents of this section as a final offer from, or commitment of, the City, NYCEDC or other agencies. For more information on these and other economic development benefits, please refer to www.nycedc.com.

Relocation Employment Assistance Program (“REAP”)

REAP encourages businesses to relocate from Manhattan south of 96th Street, or from outside the city, to eligible premises in Manhattan north of 96th Street and all other boroughs. Qualified businesses (excluding retail activities and hotels) are entitled to a credit against a city business income tax liability of up to \$3,000 per eligible employee per year for up to 12 years. Businesses must relocate either to a building improved by at least 50% of its assessed value or sign a lease of at least three years and spend a minimum of \$25 per square foot on improvements. The city business income taxes against which the credit can be taken include the general corporation tax, unincorporated business tax, banking corporation tax or the utility tax. Credits are refundable for the year of relocation and the succeeding four years. Unused credits from subsequent years may be carried forward for five years.

For more information, including eligibility requirements, please visit:
http://www.nyc.gov/html/dof/html/property/property_tax_reduc_reap.shtml

Industrial and Commercial Abatement Program (“ICAP”)

The Industrial and Commercial Incentive Program (ICAP) provides a partial exemption from or abatement of property taxes for varying periods of up to 25 years for eligible industrial or commercial buildings that are constructed, expanded, modernized, rehabilitated or otherwise physically improved. ICAP benefits are granted "as-of-right" to all applicants whose projects qualify under the provisions of the legislation. All applicants must file preliminary applications with the Department of Finance prior to the issuance of a building permit or, if no permit is required, prior to the start of construction. All applicants must meet the minimum required expenditure target, which is a percentage of the assessed value of the property determined in the year the building permit is issued or, if no permit is required, at the start of construction.

For more information, including eligibility requirements, please visit:
http://www.nyc.gov/html/dof/html/property/property_tax_reduc_incentive.shtml
www.nycedc.com/nycida

New York City Capital Resource Corporation (“CRC”)

The New York City Capital Resource Corporation (CRC) encourages community and economic development and job creation and retention throughout New York City by providing lower-cost financing programs to qualified not-for-profit institutions and manufacturing, industrial, and other businesses for their eligible capital projects. Currently, through its Loan Enhanced Assistance Program (LEAP), CRC can make direct loans to not-for-profits that are expanding or improving services in New York City. Eligible projects may include acquisition, construction, renovation

and equipping of facilities primarily for the nonprofit's own use located within New York City, and/or, under certain circumstances, reimbursement or refinancing of existing debt used to fund a capital expense.

For more information, including eligibility requirements, please visit:

http://www.nycedc.com/Business_Incentives/Financing/leap.html or email LEAP@nycedc.com

Energy Cost Savings Program (“ECSP”)

The energy cost savings program reduces electricity and natural gas bills. Qualifying businesses must either (1) relocate to the Site from outside of New York City or from Manhattan below 96th Street; or (2) make an investment that is greater than 10 percent of the Site's Assessed Value. Retailers, hotels, personal-service providers, and public-benefit corporations are not eligible

For more information regarding these requirements, contact:

Energy Cost Savings Program

New York City Department of Small Business Services

110 William Street

New York, NY 10038

(212) 513-6415

www.nyc.gov/html/sbs

In addition to ECSP, other energy discount programs may be available. For more information, contact:

New York City Economic Development Corporation

Energy Department

110 William Street

New York, NY 10038

(212) 312-3600/(888) NYC-0100

New Markets Tax Credit Program (“NMTC Program”)

The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period.

The NMTC Program is administered by the federal Community Development Financial Institutions (CDFI) Fund. For more information regarding the program's eligibility requirements and restrictions, as well as a complete listing of CDEs with an allocation of the tax credits that may be used in the financing of projects and businesses located in low-income areas of New York City please visit: <http://www.cdfifund.gov>

APPENDIX 7: UDAAP Information

UDAAP

GENERAL

Legal Authority. The Urban Development Action Area Act ("UDAAP") is Article 16 of the General Municipal Law ("GML").

Policy And Purposes. UDAAP provides for clearance, replanning, reconstruction, rehabilitation, conservation, and renewal in order to correct substandard, insanitary, deteriorated, or deteriorating conditions, factors, and characteristics which tend to cause blight, with or without tangible physical blight. GML §691

Powers. UDAAP authorizes the City to (i) sell or lease property by negotiated disposition (GML §695), (ii) make grants and loans (including, in some cases, forgivable loans) for housing rehabilitation, new construction, and site improvements (GML §696-a), (iii) make non-housing loans, and (iv) confer tax benefits (GML §696).

Project And Area. Before the City may exercise any of the powers granted to it under UDAAP, the Council must either designate or waive the designation of an urban development action area ("UDAAP Area") and must approve an urban development action area project ("UDAAP Project"). GML §§693, 694

UDAAP AREA

Definition. A UDAAP Area must satisfy three requirements. First, at least 80% of the real property comprising the UDAAP Area must be City-owned. GML §§692(3), 692(5), 693 Second, the Council must designate all of the real property comprising the UDAAP Area as "appropriate for urban development." GML §692(5) Third, the Council must designate such real property as a UDAAP Area. GML §693 There is no minimum or maximum size for a UDAAP Area, so it may be as small as a single lot or as large as an entire neighborhood. The properties comprising a UDAAP Area need not be contiguous, but should be in the same general vicinity.

Commission Review. The City Planning Commission must (i) hold a public hearing concerning the proposed area designation, (ii) certify its approval, qualified approval (with suggested modifications), or disapproval, and (iii) forward its certification to the Council. GML §694(2) The decision of the City Planning Commission is not binding on the Council, but affects the number of votes required for the Council to approve the designation of the UDAAP Area. GML §694(3)

Council Review. In order to designate a UDAAP Area, the Council must do three things. First, the Council must hold a public hearing. UDAAP may not actually require such a hearing because of a mistake in punctuation by the drafters of the statute, but the Council's own rules require a hearing by the Land Use Committee. GML §694(3)

Second, the Council must find by resolution that (i) the present status of the area tends to impair or arrest the sound growth or development of the municipality, (ii) the financial aid in the form of tax incentives, if any, to be provided by the municipality is necessary to enable the project to be undertaken, and (iii) the area designation is consistent with the policy and purposes of the UDAAP statute. GML §694(4)

Third, the Council must designate the UDAAP Area by a resolution which states that the property is appropriate for urban development. GML §§693, 692(5) The Council may designate a UDAAP Area by (i) a majority vote if the City Planning Commission has either approved the designation or approved it with recommendations for modifications that the Council adopts, (ii) a 3/4 vote if the City Planning Commission has either disapproved the designation or approved it with recommendations for modifications that the Council rejects. The Council may not make any modifications on its own initiative, nor may it pick and choose among the City Planning Commission's modifications. It must either accept the City Planning Commission's modifications wholesale or reject them wholesale.

The Council may delegate its authority to designate a UDAAP Area to the City Planning Commission, but it has never done so. GML §693 It is also questionable, because of another lapse by the drafters of the statute, whether the Council could delegate its authority to make the required findings. GML §694(4)

ULURP. The designation of a UDAAP Area must be made "in conformance with the standards and procedures required for all land use determinations pursuant to general, special or local law or charter." GML §693 This has sometimes been incorrectly interpreted to require compliance with the City's Uniform Land Use Review Procedure ("ULURP"). Charter §§197-c, 197-d The Charter specifically enumerates all of the classes of actions to which ULURP applies, and the designation of a UDAAP Area does not fit any of those categories. Charter §197-c(a) Therefore, UDAAP Area designations do not require ULURP review.

Waiver. The Council may waive the designation of a UDAAP Area where the UDAAP Project "consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings without any change in land use permitted by local zoning." GML §§693, 694 The Council may also delegate its authority to waive the designation of a UDAAP Area to the City Planning Commission, but it has never done so. GML §693 If the Council waives the designation of a UDAAP Area, the real property in the UDAAP Project is not a UDAAP Area and is not subject to any of the requirements for establishing a UDAAP Area.

UDAAP PROJECT

Definition. A UDAAP Project must be consistent with the policy and purposes of the statute, which are so expansive that any action which could reasonably be expected to have a positive effect may qualify as a UDAAP Project. GML §§692(6), 691 Project activities may include clearance, new construction, rehabilitation, and conservation for residential, commercial, industrial, community, and public uses. GML §691

Project Summary. HPD must prepare a project summary which states, at a minimum, (i) the proposed land uses, (ii) any proposed public, semi-public, private, or community facilities or utilities, (iii) any proposed new or amended codes and ordinances, and (iv) the proposed time schedule. GML §692(6) Where appropriate, the project summary should contain provisions which "are expressly designed to encourage and stimulate businesses experienced in the development of one to four family low-rise residential structures or minority owned enterprises." GML §§694(1), 691 The Council may also require HPD to "incorporate into the project" (i) the proposed number of residential units, (ii) whether the units will be rented or will be sold as

homes, condominiums, or cooperatives, (iii) an estimate of the initial rents or sale prices, (iv) any proposed income restrictions, and (v) the basis for determining the price charged by the City for the property. GML §694(5) The Council requires HPD to include these items in the project summary, in addition to the items that UDAAP mandates HPD to include.

ULURP. A UDAAP Project must be approved "in conformance with the standards and procedures required for all land use determinations pursuant to general, special or local law or charter." GML §694(5) This has sometimes been incorrectly interpreted to require compliance with ULURP. The Charter specifically enumerates all of the classes of actions to which ULURP applies, and the approval of a UDAAP Project does not fit any of those categories. Charter §197-c(a) Therefore, UDAAP Project approvals do not require ULURP review.

Approval. The Council must approve the UDAAP Project. GML §694(5)

DISPOSITION

UDAAP authorizes the sale or lease of City-owned property for the purpose of developing a UDAAP Project. GML §695 UDAAP authorizes three different procedures for such dispositions. GML §§695(1), 695(2) Two of these methods are somewhat restrictive, requiring an auction or the submission of bids, so HPD always uses the third option.

Negotiated Disposition. UDAAP authorizes the negotiated disposition of City-owned property to a purchaser or lessee designated by HPD as a qualified and eligible sponsor in accordance with established rules and procedures prescribed by HPD. GML §695(2)(b) The Mayor must approve the disposition after a public hearing held upon ten days' notice in a general circulation newspaper and thirty days' notice in The City Record. GML §695(2)(b), Charter §1802(6)(j) The notice published in the general circulation newspaper must include the price and all other essential terms and conditions of the proposed disposition. GML §695(2)(b) The deed or lease must require the purchaser to complete the UDAAP Project within a definite and reasonable period of time and to thereafter use the property for purposes consistent with the UDAAP Project. GML §§695(2)(b), 695(5)

ULURP. The disposition of City-owned property normally requires ULURP review. Charter §197-c(a)(10) The UDAAP statute, however, provides for a limited exemption from the general ULURP requirement. GML §695(6)(d) This provision, which has become universally known as "Accelerated UDAAP," exempts some (but not all) UDAAP dispositions from ULURP review. A UDAAP disposition will not require ULURP review if the UDAAP Project "consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings without any change in land use permitted by local zoning." GML §695(6)(d) All other UDAAP dispositions (e.g., projects for the new construction of dwellings containing five or more units or the conversion of a non-residential structure into a multiple dwelling) require full ULURP review. This is sometimes referred to as "Regular UDAAP" (as opposed to Accelerated UDAAP).

Appraisal. An appraiser with at least five years of experience must prepare a written appraisal of the property within six months prior to Mayoral approval of the disposition. GML §695(4) The appraisal must be filed with the Mayor and must be made available for public examination for at least thirty days prior to the Mayoral hearing. GML §695(4)

UDAAP Affidavit. HPD may not sell property under UDAAP to (i) any party which formerly owned such property or which has lost other property to the City through tax or lien enforcement foreclosure proceedings, (ii) their spouse, (iii) any business entity they control, or (iv) their successor in interest (except a good faith purchaser for value). GML §695(3) The grantee must sign an affidavit certifying that the proposed sale does not violate this restriction. GML §695(3) The City may void any deed which violates this provision, provided that such action does not affect the interest of a subsequent bona fide holder of title to the property. GML §695(3)

Leases. The requirements for UDAAP leases are slightly different from the requirements for UDAAP sales. A lease for less than one year does not require an appraisal, and any longer lease requires an appraisal prepared within sixty days prior to Mayoral approval. GML §695(4) The term of a UDAAP lease may not exceed 99 years. GML §§695(1), 695(2) Any lease must require payments in lieu of taxes. GML §696 HPD may permit leasehold financing and may subordinate the City's fee interest to such financing, provided that the financing does not exceed the cost of performing the UDAAP Project. GML §695(6) Any subordination agreement must provide that the City assumes no liability for the repayment of the loan, but may repay it in order to protect its fee interest. GML §695(6) More importantly, the subordination agreement must forbid any foreclosure of the City's fee interest until the UDAAP project is completed. GML §695(6)

LOANS AND GRANTS

UDAAP authorizes HPD to make a grant or loan to the owner of any property that is part of a UDAAP Project. GML §696-a

Purpose. A UDAAP grant or loan must fund the (i) the rehabilitation of an existing private or multiple dwelling, (ii) the new construction of a private or multiple dwelling, (iii) the installation of site improvements and infrastructure, or (iv) "other costs of construction for the development of private or multiple dwelling housing accommodations." GML §696-a

Terms. UDAAP provides broader loan authority with fewer restrictions than any other statute. There is no limit on the amount of the loan, whereas other statutes impose limits based on either a predetermined amount per unit or a percentage of total development cost. The maximum term is 30 years. Interest is permitted, but not required. There is no general income requirement for occupants of a project assisted with a UDAAP loan. HPD, with few restrictions, may establish the terms of repayment and the other terms of the loan documents. GML §696-a

Loan Documents. The borrower must execute a (i) note specifying the loan's repayment terms, and (ii) a mortgage or security agreement (where the UDAAP Project is a cooperative) securing the note.

Regulatory Agreement. Where loan or grant funds will be used to provide rental housing for "persons of low income" (which is defined in a counterintuitive way that would generally apply to virtually all HPD rental housing projects), the borrower or grantee must execute a regulatory agreement limiting rents and profits. Where grant funds will be used to develop one to four unit housing accommodations or to develop condominium or cooperative housing, the grantee must execute a regulatory agreement limiting profits. GML §696-a

Evaporation. Where loan funds will be used for any cost of developing either one to four unit housing accommodations or condominium or cooperative housing, HPD may provide in the loan documents that both the amount due under the note and the lien of the mortgage or security agreement will evaporate over a period of owner occupancy. Where loan funds will be used to provide rental housing for "persons of low income" (which is defined in the same way as for regulatory agreements), HPD may provide in the loan documents that both the amount due under the note and the lien of the mortgage or security agreement will evaporate over a period of up to 30 years of compliance with the applicable regulatory agreement. GML §696-a

NEIGHBORHOOD IMPROVEMENT LOANS - GML §696-d

UDAAP authorizes HPD to provide a loan to the owner of any property in a UDAAP project, or located in proximity to one, for the purpose of developing any non-residential use permitted by zoning that the agency determines is associated with housing construction or rehabilitation. GML §696-d This provision was enacted specifically to fund the ANCHOR/Partnership Plaza Retail Demonstration Program.

Loan Documents. The borrower must execute a (i) note specifying the loan's repayment terms, and (ii) a mortgage securing the note.

Terms. HPD may participate with other lenders in making such loans. HPD has broad discretion to set the terms of repayment and the other terms of the loan documents, but the debt may not be forgiven. Interest is permitted, but not required. GML §696-d

TAX EXEMPTION

UDAAP authorizes the Council to approve a partial exemption from local taxes for the real property in a UDAAP Project. GML §696 HPD generally uses UDAAP tax exemption only for one-family and two-family homes that are too small to qualify for J-51 or 421-a, because those statutes provide far richer tax benefits, and do not require Council approval.

Eligibility. Real property is eligible for UDAAP tax exemption if (i) it is part of a UDAAP Project, (ii) the UDAAP Project provides for rehabilitation or new construction, and (ii) the rehabilitation or construction cost is equal to or greater than the property's preconstruction assessed value. GML §696

Approval. The Council must approve the UDAAP tax exemption and set the level of benefits. The statute does not require a public notice or hearing, nor does it specify any other process for the Council's approval. GML §696

Benefit. The Council may approve up to a 20-year exemption from real property taxation (but not from local assessments) on the value of the improvement in a UDAAP Project. This exemption is phased out in either (i) equal annual amounts beginning in the 11th year, or (ii) equal biennial amounts beginning in the 13th year. The exemption only covers taxes on the value of the building, and does not affect either taxes on the value of the land or assessments for local improvements. GML §696