

1951 Park Avenue RFP Addendum
RFP Issue Date: September 12, 2008
Addendum Issue Date: October 8, 2008

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I. CORRECTIONS TO THE RFP

Map #2: Site Survey (as labeled in the RFP)

Please **disregard** this map when formulating development proposals. **Do not use Map #2 to ascertain site dimensions.** Copies of the New York City Map and a tax map have been included in this addendum and are posted on the HPD website. They can be found at the following address: <http://www.nyc.gov/html/hpd/html/developers/rfp.shtml> . In addition, an amended aerial map has been included to reflect the accurate northern boundary of the site. Please note the northern site boundary does not extend across the entire easterly prolongation of 132nd street.

The following was inadvertently omitted from the RFP:

Application Fee

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.

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The section entitled "Public Financing" is revised as follows:

Public Financing

If HDC bond financing is proposed, a letter of interest from HDC is NOT required. However, a letter of interest from a credit enhancer acceptable to HDC must be provided.

Letters of interest are not required for other public sources such as DHCR or NYSERDA. ~~If the use of public funds from sources other than HPD or HDC is proposed, a written indication of interest (e.g. a letter of interest, a commitment letter or an award letter) dated no earlier than two (2) months from the date of submission of the Developer's Proposal, must be included. Each letter must be on the organization's letterhead and signed by a representative of that organization.~~

Financial Pro Formas

- The household adjustment factor (column C: “HH factor”) for studios should be 0.6. For studios at less than 80% of HUD IL, the household adjustment factor is 0.7.
- The Annual Rent calculation (column I) is incorrect. Please enter your own calculation (monthly rent X 12).

II. QUESTIONS AND ANSWERS

- 1. There is discrepancy between site drawing and land book measurements for East 131st Street - The land book says it is 60 ft wide but the site drawing says otherwise which of these are correct?**

The width of E 131st Street is 80 feet; it qualifies as a “wide street” for the purposes of zoning regulations. The street was widened from 60 feet to 80 feet in 1950.

- 2. Given the proximity of the site to the elevated train, will the project be subject to any MTA review?**

HPD will reach out to the MTA to determine their role in the review of the project.

- 3. The existing building seems relatively new - Is it a requirement to demolish it?**

Proposals must meet the required urban design guidelines outlined in the RFP. HPD does not expect that the required design guidelines can be met without demolishing the existing building.

- 4. Is the demolition a cost to the developer or to HPD?**

Yes, the developer will be responsible for the cost of demolition.

- 5. Can proposals have fewer than 300 units?**

No, as outlined on page 7 of the RFP the proposal must include 300 income-targeted units of which 60 units must be affordable to households whose earnings do not exceed 40% of the HUD Income Limit, 170 units must be affordable to households whose earnings are between 41-60% of the HUD Income Limit, and 70 units must be affordable to households whose earnings are between 81-130% of the HUD Income Limit

- 6. Can you exceed 300 units?**

After internal discussion, it has been determined that the proposal cannot exceed 300 units, unless the building configuration necessitates a *de minimus* number (<10) of additional units.

7. Does the 300 unit minimum/maximum include the superintendents' unit?

No, the superintendents' unit should be considered an additional unit above the required 300.

8. Can you offer some guidelines on unit distribution?

Preference will be given to projects with 50% or more 2+ BR units. Proposals should consider unit distributions pursuant to funding/subsidy programs.

9. The RFP says that ULURP is scheduled for March - Why so soon? Is there a possibility of extending the timeline?

Pursuant to the 125th Street Points of Agreement (attached below) we are bound to ensure that the project will be through the public approval process by December 2009. We have no intention of extending the timeline.

10. Has there been any discussion with the Department of Sanitation as to where they have permission to park their trucks? Can we make sure they park where they are supposed to?

HPD will reach out to the Department of Sanitation to address this concern.

11. Is there a chance that the site could be a brownfield?

Based on prior site usage, as indicated in the RFP, the site will require at a minimum a Phase II environmental site investigation.

For the purpose of the RFP, the developer shall assume that the Phase II reveals non-hazardous urban fill, which will contain elevated concentrations of metals and SVOCs above State Guidance values, and that groundwater has been degraded by surrounding uses and exhibits low-level VOC impacts from off-site such that a vapor barrier and passive sub-slab depressurization system would be required by NYC DEP.

The anticipated remediation plan would consist of fill removal, transportation and disposal as necessary to facilitate re-use; site capping including the importation of residential-quality soil to landscaped areas and the installation of the soil vapor mitigation system; consultant monitoring; and closure reporting. Based on HPD's experience, the anticipated conditions are not necessarily compelling, to allow entry into the NYS DEC Brownfield Clean-up Program, and based on the anticipated cost of remediation, BCP program administration and timing, and up-front equity requirements, it does not appear to be a viable source for RFP respondents to rely upon.

12. Will the EIS and Phase II be paid for by the developer or HPD? What if there is contamination under the train line?

As explained on page 13 of the RFP, the Developer will be responsible for preparing a survey, engineering studies, on-site environmental testing studies and/or remediation plan, as may be applicable and required by HPD. The Developer will obtain all necessary environmental approvals and will fund and undertake any environmental review, soil testing, and/or remediation required on the Site. The developer is only responsible for the environmental remediation on the development site resulting from on-site or off-site contamination.

13. For the low income portion of the proposal, can we assume there will be HPD tax credits available?

Applicants interested in applying for 9% competitive low income housing tax credits through HPD should familiarize themselves with the threshold criteria for that program. The HPD tax credit award process is independent of this RFP process. As explained on page 15 of the RFP: "Applicants who pass the RFP Threshold Review may be required later in the RFP review process to submit alternate proposals which do not rely on competitive sources."

14. Are there any parking waivers associated with the site since it is next to the river?

No, parking waivers are not associated with the site. Parking must be provided pursuant to zoning.

15. On page 25 under item D it refers to modifications to proposals being due by November 3rd, is that correct?

Proposals must be delivered by hand no later than 4:00 p.m. on October 31, 2008 to:

N.Y.C Department of Housing Preservation and Development
Office of Development
Division of Planning and Pipeline Development
100 Gold Street, Room 9G
New York, NY 10038
Attention: Sara Levenson

If there is a minor error or omission to the original proposal submitted on time, HPD may determine at its sole discretion whether to allow minor changes or revisions to be submitted up to November 3, 2008.

16. Is there a prevailing wage requirement?

Davis Bacon wage requirements are triggered by certain types of Federal financing and will therefore depend on the financing sought by developers. The terms of this RFP do not mandate Davis Bacon wages.

17. Will there be NYC Housing Trust Fund (NYCHTF) funds available?

No - after June 30, 2008 NYCHTF funds will no longer be available.

18. If we do use HTF funds is there are requirement that we use HOME funding as well?

Not applicable – see above.

19. In the RFP, NYCHA is cited - Is NYCHA involved with the project in some way?

No, NYCHA has no involvement in this project or the site. NYCHA was referenced in the Land Use section of the RFP in that the Lincoln Houses are within close proximity to the site.

20. What is the rationale for capping the FAR at 5?

The 5 FAR cap accommodates the required housing and community facility program providing flexibility for additional bulk to be accommodated without promoting out-of-scale development. Additionally, the 5 FAR cap is pursuant to the 125th Street Points of Agreement (attached below).

21. Is the 5 FAR a residential FAR or a total FAR?

The combined FAR for all residential, community facility and commercial uses on the site shall not exceed 5.0.

22. How many children can we expect will be using the space?

The child care center will serve approximately 100 children.

23. For moderate income units, are you looking to maximize affordability at the lower end or would you prefer to see a range among the various incomes within the tier?

HPD has no preference on how the affordability is distributed throughout the affordability tiers as long as the residential component requirements highlighted on page 7 of the RFP are met.

24. Please provide a copy of the Phase I report that was completed for the site.

A Phase I has not been completed for the site. As mentioned on page 13 of the RFP, the Developer will be expected to obtain all necessary environmental approvals and will fund and undertake any environmental review, soil testing, and/or remediation required on the Site.

25. We would like to inspect the existing building for purposes of estimating demolition costs. Can we gain access?

HPD will be opening up the building to interested parties on Tuesday October 14th at 1 PM. We will conduct one tour of the building which will commence at 1:15pm. HPD will be present to answer questions solely regarding the building on site.

26. Are we limited to a floor area equaling 5.0 times the existing lot area, or can we use Floor Area deductions per Quality Housing and other Zoning Resolutions which will result in a floor area slightly more than 5.0 times the existing lot area?

The new development is limited to a maximum overall floor area of 5.0 times the existing lot area. A building developed pursuant to the Quality Housing Program would not comply with the urban design guidelines therefore the Quality Housing Program is not applicable.

27. Do we assume all design requirements to be according to underlying zoning, other than what is set out in the RFP design guidelines?

The new development is subject to the underlying (proposed R8) zoning district regulations and is subject to the RFP urban design guidelines.

28. Please confirm we are using height factor zoning.

Yes, height factor zoning should be utilized.

29. According to the criteria and information provided in the RFP, please confirm the following list of assumptions and questions related to them:

- a. *Using the survey provided, the lot area equals 58,301 s.f. with an FAR of max. 5, this would allow 290,505 s.f. of total development.*

The recent tax map provided as part of the addendum should be utilized to calculate the site's dimensions or area. According to the tax map the lot area of the site is 60,470.27 square feet.

Is this only residential floor area?

The new development is limited to a maximum overall floor area of 5.0.

- b. *Would the daycare center under community facility be included in this 290,505 s.f. of floor area?*

The child care facility will be included in the overall floor area of 5.0.

- c. *Would commercial be included as well?*

Commercial uses will be included in the overall floor area of 5.0.

- d. *Is accessory parking included in the 290,505 s.f. of development? Parking is typically not included in zoning floor area.*

Parking is subject to the underlying (proposed R8) zoning district regulations.

- e. *Typical preliminary calculations are done using 1,000 s.f. per unit. If total FAR is 5, then we see 290,505 s.f., less 10,000 s.f. for the daycare, totaling 280,505 s.f. and producing approximately 280 units on site. (with no commercial uses.)*

Using HPD room size requirements it is possible to achieve 300 units with a diverse mix of unit types, and have floor area available for additional uses.

30. Will the use of zoning floor area deductions be allowed for calculations of the urban design FAR?

Please refer to question #26 above.

31. Since the setback of 10 ft. along the 132nd street prolongation is a design guideline, will HPD allow the use of the dormer rule as defined in the zoning resolution?

Since the urban design guidelines are pursuant to height factor regulations, dormer rules will not apply.

32. If the “Central Open Area” between the buildings is to be a minimum of 10,800 sq. ft., but following the dimensional diagram provided as well as the site survey, it only appears to add up to 10,090; how do we achieve the other 710 s.f.?

Please refer to the recent tax map for site dimensions and urban design guidelines when developing the Central Open Area.

See the urban design guidelines for the central open area.

a. *Can it be counted within the green buffer?*

No.

b. Can we also make up for the extra open area within Subarea 'B' by cutting back the min. 80 ft. building depth?

The 80 feet distance indicates the dimension of the area subject to a certain height limit; it does not indicate a minimum building size.

33. Does the minimum street wall height in the design guidelines refer to the wall or top of roof structure?

The measurement of the required street walls shall be as defined in the NYC Zoning Resolution. The height of a street wall is generally measured to the top of the roof, parapets on such street wall are considered permitted obstructions when not exceeding four feet in height.

34. Can parking occur within Green Buffer Zone?

Parking can occur within the Green Buffer Zone only when provided under a tree canopy.

35. Zoning allows a parking structure to be built up to 23 ft. in the central open area. Is this permitted by HPD?

The central open area shall contain no buildings except for those occupying no more than 1,500 square feet of the central open area and measuring no more than 85 feet in height.

36. Does the 1,500 s.f. of building within the central open area get subtracted from the minimum open area required?

1,500 square feet of building within the Central Open Area does not get subtracted from the 10,800 square feet of the required open area.

37. According to the RFP, street wall recesses are to occur above the second story. Does this mean no articulation can happen on the ground floor?

Ground floor articulation is subject to the underlying (proposed R8) zoning district regulations.

38. At the street walls along Park Avenue and 131st Street, there is a requirement of 25 ft min street wall (Subarea C) and 60 ft min street wall (Subarea E). In either case, can the street wall be composed of something other than the building? IE, can a "living" or "green" screen be constructed of metal mesh with plants growing on it at the street wall, allowing the building to be set back? There would be openings in the screen/mesh aligning with the window and door openings in the building proper beyond.

No, the required street walls need to be part of the building.

39. Can Parking occur within the easterly prolongation of East 132nd Street?

Parking can occur within the easterly prolongation of East 132nd Street only when provided under a tree canopy.

III. ACS EARLY CHILDHOOD CENTER REQUIREMENTS

A. EARLY CHILDHOOD EDUCATION CENTER

NOTE: The submission requirements and financing assumptions described in this section supersede any language in the RFP about the childcare facility, including the ACS Design Guidelines (Appendix B), and responses to questions on this topic given at the September 26th pre-submission conference.

Program

Applicants should set aside 10,000 square feet for a community facility to be occupied by an early childhood education center (“childcare facility”) managed by a provider approved by the New York City Administration for Children’s Services (“ACS”). Out of the required 10,000 square feet a maximum of 2,000 square feet can be located in a basement.

Applicant should set aside a minimum of 3,000 additional square feet of outdoor play space directly accessible from the childcare facility. The play yard may be provided as one large space, or several small yards that add up to a total of 3,000 square feet. A small yard must be a minimum of 1,200 square feet. The outdoor play space should be provided on the ground level if possible, but rooftop play yards are also permitted no higher than the 5th floor.

Development Team

Applicants should not propose a childcare provider as part of their Development Team. The selection of a provider is a process that will be coordinated between ACS and the Developer designated pursuant to this RFP.

Revenue Assumptions

Applicants should assume rents of \$15 per square foot for the 10,000 square foot facility. Applicants that provide 3,000 square feet of outdoor space should assume a rent of \$8 for this space. Applicants should assume a minimum lease term of 30 years with a cost of living adjustment formula to be determined

Cost estimates

Applicants must provide a cost estimate of the portion of the core and shell attributable to the childcare facility consistent the core and shell definition provided below.

Financing

Applicants’ Financing Proposals (Tab F) should incorporate all residential and commercial components, if any, of their projects and the core and shell of the childcare facility. Applicants should **NOT** finance the fit-out of the childcare center in their Financing Proposal.

Design Requirements

Proposals must provide the core and shell for the childcare facility. The definition of core and shell is described in Siting Consideration and Core and Shell. The childcare facility must meet the *Siting Considerations* described herein.

Applicants should not submit a design for the fit-out of the childcare facility. The fit-out will not be evaluated as part of this RFP process. The design of the childcare facility will be coordinated between ACS and the Developer designated pursuant to this RFP.

B. SITING CONSIDERATIONS

Building Orientation

Pay attention to the surrounding context and relationships to adjacent buildings, utilities, and traffic patterns. Look for opportunities to maximize access to daylight in the childcare facility. The childcare facility should be oriented away from streets with heavy traffic. The buildings location should also help protect outdoor play space from environmental elements such as rain and wind.

Traffic and Security

Items to consider when designing for the safety of young children and families:

- Location of curb cuts and driveways should be located away from the entrance to the childcare facility
- Ideally the facility should be sited so that parking for drop-off and pick-up is at or near the main childcare entrance
- Exterior lighting
- Security system

Entrance and Exits

The childcare facility should have only one entrance for staff, parents, children and visitors. The entrance to the childcare facility must be separate and secure from housing, commercial, service entrances, and any other building uses.

C. “CORE AND SHELL OUTLINE” FOR CHILD CARE FACILITY

The following “Core and Shell outline” for child care facility is intended only as a guide for the development team to assess a building/facility cost and submit a separate summary for the proposed facility.

Exterior Walls

- Exterior walls including exterior cladding, fenestration, doors, and roofing system (if applicable)
- Child care facilities will have more exterior doors and fenestration than a typical community space shell, and should be accounted for

Floor

- Concrete floor slabs with a smooth, troweled finish, uniformly level and designed for a live load of 100 lbs. per square foot

Structural system

- Structural frame including columns, girders, beams, and fireproofing

Demising walls

- Primary envelope demising partitions constructed of full height block (CMU)

Plumbing

- Rough-in of the following building utilities service systems separate from the Residential Space and Commercial Space and appropriate for a child care facility.
- Domestic water and plumbing system consisting of a 2" cold water supply, and vent and waste lines at location to be designated by ACS. Cold water will be supplied at street pressure (approx. 35 psig).
- Child Care Licensing regulations require 1 child size toilet and 1 hand-washing sink per every 15 children. Children's toilet rooms should be located in, or shared between classrooms. The children's toilets do not need to be separated according to sex.
- EACH classroom (6) will have a minimum of two sinks and two children's toilets (12 sinks and 12 children's toilets total). Mixing valves will be required to control water temperature at children's sinks

Sprinkler system

- A sprinkler system sized to cover the entire Core and Shell including a 3'-0" section of hydraulically sized sprinkler main with a tee for a connection to the child care facility, from the riser serving each floor (if applicable)

Fire Alarm

- A fire alarm and communications system sized and designed for the number of speakers, strobes and pull boxes, and a warden's station with connection to a fire alarm company. The system shall have extra connection points in the data gathering panels so that ACS, at its own expense, may add additional devices, in such number as may be agreed upon by Developer and ACS.

Electrical

- Electrical service conduit and wire appropriate for child care facility of this size and brought to one point designated by agreement of Developer and ACS. Electric service shall be terminated in a disconnect switch.
- Provide GFA and emergency shut-off switch.
- Emergency power source for the child care facility in the event of a building-wide power failure, assumed loads to be further defined, with emergency power source to be readily accessible to ACS.
- Individual metering of all utilities for the child care facility

Telecommunication

- Two 3" empty conduits from the building's main telephone frame room (binding post) in the cellar to a location within the child care facility to be agreed upon by Developer and ACS.

HVAC system

- Standalone HVAC system (equipment, dunnage, piping for cooling and heating, penetration/slab openings for ductwork and exterior louvers).
- Add noise limitation (sound control) for all classrooms (6)

- Mechanical exhaust/ventilation will be required at the laundry room, mop storage areas, kitchen, and diapering and toilet areas
- HVAC system and ceiling fans should provide air circulation low down - close to the floor where children play and sleep

Fire Egress

- Fire egress stairs, as required. Direct egress to the street with short travel distance.

Elevator

- Elevator, if RFP response proposes more than one floor for child care facilities.

Please note:

- The child care facility will have a commercial grade kitchen to prepare meals for the children. Consider exhaust/ventilation/plumbing/electric/ gas for the kitchen, food storage, and refrigeration.



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

Robert C. Lieber
Deputy Mayor for Economic Development

April 15th, 2008

Honorable Council Member Inez E. Dickens
Honorable Council Member Robert Jackson
Honorable Council Member Melissa Mark Viverito
New York City Council
City Hall
New York, NY 10007

Re: 125th Street Rezoning – City Council ULURP Actions

Honorable Council Member Dickens:

Please find attached to this letter a "Points of Agreement" reflecting recent discussions between the Administration and your offices with respect to the consideration by the City Council of the 125th Street Rezoning and related ULURP actions.

As we have discussed, some of the items set forth in the "Points of Agreement" will require changes to the zoning resolution which may be made by the Council now, while other items may require additional follow-up actions by the Administration, the City Council, the Planning Commission and other parties. Where follow-up action is needed, such follow-up is subject to review and consideration under applicable procedures, including land use and environmental review, and the receipt of applicable approvals. We are confident that we can continue to work together to achieve the goals stated in the "Points of Agreement."

The cooperation and input that we have received from you and your staffs has been extremely valuable in helping to identify City commitments that complement the 125th Street Rezoning and assure that the rezoning will maximize benefits for Harlem residents, businesses, arts and cultural organizations. We look forward to working further with you and your colleagues in the Council as this project progresses.

Sincerely,

A handwritten signature in cursive script, appearing to read "Christine Quinn".

**Cc: Speaker Christine Quinn
Honorable Council Member Melinda Katz**

Points of Agreement
125th Street Rezoning
April 15th, 2008

I. Affordable Housing

The Administration agrees to significantly increase the number of affordable housing units to be built along the 125th Street corridor through a variety of mechanisms including inclusionary housing, financial and tax incentives and the commitment of public sites.

a. The Administration agrees to seek to maximize the number of affordable, income targeted housing units to be built in the special district and vicinity through the use of inclusionary housing and the development of key publicly-owned sites within or proximate to the corridor. The Administration projects that 3858 total units will be built of which 1785 (46 percent) will be affordable/ income targeted consistent with the following:

- 200 units at 40% AMI and below
- 700 units at 41-60% AMI
- 335 units at 61-80% AMI
- 306 units at 81-130% AMI
- 244 units at 131-165% AMI

- 350 affordable ownership units (included in total unit count of 1785 above)
- 10 – 20 affordable ownership units at East 125th Street project will be at 50% of AMI or below (included in total unit count of 1785 above)
- 700 permanently affordable units (included in total unit count of 1785 above)

- For residential development at Mart 125 site:
 - All units (46) at 60% or below AMI (included in total unit count of 1785 above)
 - 18 units at 40% or below AMI
 - 28 units at 60% or below AMI

b. New public site at 1951 Park Ave

The Administration also commits to the preparation and referral for public review and support of the development at the 1951 Park Avenue site consistent with the following:

- Rezoning to 5 FAR
- 300 total units which would be income targeted (included in total unit count of 1785 above)

- 60 units at 40% AMI, 170 units at 41-60% AMI, 70 units at 81-130% AMI
- Timing to implement would be to release an RFP in the fall of 2008 and ULURP certification in the fall of 2009.

Consistent with Department of Housing Preservation and Development (HPD) practice, 50 percent of the 1785 income targeted units will be two bedrooms or larger. In addition, also consistent with HPD practice, the residents of the community board within which the affordable housing project is located would get a preference for 50 percent of the affordable units.

- c. The Administration commits to the preparation, referral for public review and support of a follow-up zoning text amendment that would amend the citywide inclusionary housing program to provide an ownership option that allows the purchaser to build modest equity while keeping the units permanently affordable.
- The Department of City Planning (DCP) and HPD will jointly develop the zoning text amendment with the goal of referral for public review by the end of 2008. The text amendment and guidelines for administration will incorporate regulations for income eligibility, sales prices, program administration and a mechanism for ensuring long-term affordability.
- As the program is implemented, HPD will reach out to property owners within the rezoning area in order to promote the Inclusionary Home Ownership component. HPD will also work with non profits in the marketing of the low income unit sales.
- HPD will also couple a down payment assistance program with home ownership inclusionary development to increase the attractiveness of the homeownership component.

Height Restriction and Reduced Residential Density for C4-7 District, North Side of Core Sub district

The Administration commits to preparation, referral for public review and support of a follow up text amendment that would:

- Reduce Maximum Height for all uses from 290 feet to 195 feet.
- Reduce Maximum Commercial Density from 10 FAR bonusable to 12 FAR to 7.2 FAR bonusable to 8.65 FAR.
- Reduce Maximum Residential Density from 9 FAR bonusable to 12 FAR to 5.4 FAR bonusable to 7.2 FAR.

Reduced Residential Density for C6-3 District, South Side of Core Sub district

The City Council will modify the zoning regulations for the C6-3 District on the South Side of the Core Sub district as follows:

- Reduce Maximum Residential Density from 6 FAR bonusable to 8 FAR to 5.4 FAR bonusable to 7.2 FAR (Commercial FAR would be 6.0 bonusable to 8).

II. Mart 125

The Mart 125 site is a vacant 2-story building located on the south side of 125th Street between Frederick Douglass Boulevard and Adam Clayton Powell, Jr. Boulevard. The Administration is committed, through the RFQ and RFP process, to enable this site to be redeveloped as a key element of the vision for 125th as a premier street for the arts, together with meeting goals for affordable housing and provide a venue for visitors to the community. New York City Economic Development Corporation (NYCEDC) will advance the following agreements as part of the program outlined below. Prior to the end of 2008, an RFQ and RFP will be issued for the pre-qualification of the cultural group(s) and development of the visitor center, café, retail and cultural facilities on the portion of the lot fronting 125th Street. A separate RFP will be issued for commercial or residential development on the portion of the lot fronting 124th Street with a preference for affordable housing that achieves the income targets stated in the affordable housing section.

a. Visitor Center

To ensure that the Harlem Visitor Center at Mart 125 will be a successful information hub and venue for promoting and supporting local businesses, arts and cultural organizations through Harlem-oriented marketing programs and services, NYC & Company is committed to the following, and accordingly, will present the points below to its Board of Directors:

- Local hiring for both full-time and part-time staff at the Harlem Visitor Center.
- Provide hospitality training to Harlem Visitor Center staff.
- Joint-venture with a local organization that contributes an equity interest and shares in the operating costs of the Harlem Visitor Center in consultation with Council Member Dickens regarding potential opportunities for Harlem businesses and non-profit organizations.
- NYC & Co. is in the preliminary stages of restructuring their overall membership model. Thus, it will be subject to change pending further discussions and approvals by the NYC & Co. Board. NYC & Co. will consult with, and provide Council Member Dickens with an update on the proposed membership model prior to its completion. NYC & Co. commits to significant membership discounts and special services to increase the marketability of Harlem area businesses within the next 120 day period.
- Form an Advisory Committee comprised of local retail businesses and arts and cultural organizations in the hospitality sector to guide and assist NYC & Co. staff on upcoming community events and the creation of programs with enhanced local participation.
- The establishment of 'Hospitality Scholarships' for students from the Harlem community in travel, tourism or related fields. NYC & Co. will seek to create a joint venture with a local or national business to help underwrite the annual program.

- Hiring students for paid internships at the Harlem Visitor Center. NYC & Co. will seek to partner with a local or national business to help underwrite this annual program.
- Invest in the build-out of the Harlem Visitor Center, with a 7 days/week operational commitment anticipated at \$1.5M.
- Work with the local businesses, cultural organizations, and tour operators to provide marketing materials and ticketing services at the Harlem Visitor Center.
- Work with the local business and cultural community to select the local businesses and cultural organizations that are featured in Culture Spot and Business of the Month.
- Produce 4 videos each year to feature and promote local businesses and cultural organizations.
- List Harlem businesses and non-profit organizations that are NYC & Co. members in NYC & Co.'s vendor database for convention planners at no cost.

b. Café/ Retail

- RFP to include a preference for a local café operator and retailer in the 2,500 sf of allocated space.
- RFP to require landlord to outline contributions for fit-out of café and retail space.
- NYCEDC will contribute \$40 psf, capped at \$100,000 for fit-out of the café and retail space, in support of a local café operator and local retailer. These funds are above and beyond the Upper Manhattan Empowerment Zone (UMEZ) 125th Street Pilot Program and the Harlem Business Assistance Fund.

c. Cultural Facility

- NYCEDC will include in the RFQ a first preference to be given to an arts/ cultural organization located in Community District 10 and a second preference for organizations in Community Districts 9 or 11.
- RFQ to include a requirement for respondents to submit a Community Engagement and Access Plan that articulates how the visual, performing, and rehearsal arts space will be made available on a regular basis to local arts groups at affordable rates or for free.
- The Community Engagement and Access Plan will be part of selection criteria in the RFQ.
- RFP to include that the developer provide the arts/ cultural organization(s) with ownership of the cultural facility and for the ownership to be at no cost. Alternately, cultural tenant may elect to be provided with a lease that allows for a purchase option at a later date.
- City to provide \$6 million for cultural facility.
- UMEZ to provide up to \$2 million for cultural facility (approximately 15,000 sq. ft. for performing arts).

d. Housing – discussed in Affordable Housing Section

- The RFP for the portion of the lot fronting 124th Street will ask developers to propose either a commercial or residential development, with a preference for affordable housing that achieves the commitments stated in the Affordable Housing section—that all residential units (estimated 46 units) be at 60% of AMI or below, with 18 units at 40% AMI or below and 28 units at 60% AMI or below.
- e. Overall Project:

- NYCEDC to consult with Council Member Dickens on selection of cultural group(s) after issuance of the RFQ, and the selection of the development team after issuance of the two RFPs.
- RFP will include a preference for local and/or MWBE firm as a joint venture partner for the development of the two portions of the lot.
- Developers will have the option of responding to one or both RFPs.
- City will develop enforcement mechanisms potentially including deed restriction or annual reporting.

III. Garage Site

This site on the north side of West 125th Street between Lenox Avenue/ Malcolm X Boulevard and Adam Clayton Powell Jr. Boulevard, is located in the center of the Core Sub district, close to major commercial and public buildings and arts venues. New York City and New York State share interests in this site currently operating as a parking garage. In response to community concerns regarding sustaining and enhancing the commercial character of the 125th Street Core, the City supports the potential redevelopment of the site for primarily commercial use. The Administration will advance the following commitments to New York State in its preparation of a joint NYC and NYS RFQ/RFP that will be subject to consultation with NYS and Council Member Dickens.

- 5% set aside of project total office space at below market rents for local non-retail businesses.
- Minimum of 5% set aside of project total retail space at below market rents, with priority for local, non-formula retail businesses and a preference for RFPs that include a larger set aside in this category.
- NYCEDC will contribute \$20 psf grants for local retail and/or non-retail businesses capped at \$200,000. These funds are above and beyond the UMEZ 125th Street Pilot Program and the Harlem Business Assistance Fund.
- Current number of parking spaces to be maintained.
- Objective of all parking spaces below grade.
- City will develop enforcement mechanisms potentially including deed restriction or annual reporting.
- RFP will include a preference for local and/or MWBE firm as a joint venture partner for the development of the site.

IV. Potentially Impacted Commercial Businesses/Commercial Programs

The Administration commits to the following programs and initiatives to assist potentially impacted commercial businesses and assist local businesses on 125th Street in addition to Harlem cultural organizations.

- a. UMEZ “125th Street Pilot Retail Incentive Program”
 - \$750,000 forgivable loan program to assist qualifying businesses seeking to relocate on 125th Street or to the avenues (5th Ave – Frederick Douglass Boulevard, between 116th and 135th Streets).
 - Qualifying businesses for the \$250,000 “On the Street” component are non-formula retail businesses, consistent with the arts and entertainment use requirement.
 - Qualifying businesses for the \$500,000 “On the Avenue” component are non-formula retail businesses.
 - Loan size is the lesser of \$20 psf or \$50,000.
 - UMEZ will hold a business fair with Small Business Services and loan providers to promote the program to small businesses, particularly those on 125th Street during the week of May 12, 2008 and a second business fair to be scheduled.

- b. Small Business Marketing Brochure and Outreach
 - Goals: to promote the package of existing technical assistance and loan programs available to small businesses in Community Boards 9, 10 and 11, including UMEZ’s new program.
 - Draft of text will be available for Council Member Dickens’ review.
 - UMEZ and the Department of Small Business Services (SBS) will distribute the brochure to small businesses, particularly those on 125th Street during the week of May 5, 2008.
 - SBS will market door to door.
 - SBS will have a dedicated point person for potentially impacted local businesses.

- c. Commercial Development: Marketing Brochure
 - Goals: to promote 125th Street as a regional business district and premier arts, entertainment, cultural destination to the developer, retail and brokerage community.
 - Revisions to text are underway to highlight opportunities for supporting the growth of existing arts and cultural organizations through the Arts Bonus.
 - Draft will be available for Council Member Dickens’ review.

d. Harlem Business Assistance Fund

- NYCEDC will create a \$1 million fund that complements UMEZ's 125th Street Pilot Retail Incentive Program and contributes to a comprehensive package of financial assistance for small, non-formula businesses seeking to relocate on 125th Street (between 5th Avenue and Frederick Douglass Boulevard) or the Avenues (5th Avenue – Frederick Douglass Boulevard, between 116th Street and 135th Street).
- Qualifying businesses are small, non-formula retail and service establishments that are currently located on 125th Street between Morningside Avenue and 2nd Avenue.
- Fund will provide grants equivalent to the broker fee (leasing commission) capped at either:
 - 5% of the total lease value for a maximum of 2,500 gross sf per business; or
 - A maximum of 2 months' rent for a maximum of 2,500 gross sf per business.
- The broker fee will be paid to the broker on behalf of either the landlord or tenant in one installment, upon submission of an executed lease.
- Program Administrator: UMEZ.

e. Arts and Entertainment Economic Development Consultant

- Goals: Provide a dedicated resource and liaison to work with the City, UMEZ, local cultural organizations, and developers to implement the vision of 125th Street as a premier arts, entertainment and cultural destination.
- The consultant position will be advertised in the local newspapers.
- Approximately \$100,000 budgeted for this position in the initial 18-month period. Health benefits to be provided in addition to the \$100,000 consultant budget.
- Position to start in 6 months: 25% of the funding for a part-time position for 6 months (January-June 2009); 75% of the funding for a full-time position for 12 months (July 2009-July 2010). The position is to begin in 6 months.
- Contract to be renewable upon performance and demonstrated demand for services. The consultant will be responsible for cultivating the pipeline of cultural, arts and entertainment-related retail space along 125th Street by building relationships with developers, arts, cultural and entertainment-related businesses (particularly with those organizations and businesses that are currently located in Harlem). The consultant will coordinate marketing efforts between the City and local organizations to promote 125th Street as a commercial corridor and premier arts, entertainment and cultural destination.
- Consultant will also be responsible for monitoring the inclusion of City commitments in RFQs and RFPs for Mart 125 and the Garage to provide a summary report to Council Member Dickens at the end of the year.

- A summary of the consultant's deliverables will be submitted to Council Member Dickens within 2 months of the end of the consultant's engagement.

V. Arts Bonus

The City Council will modify the zoning text for the Special District governing the Arts Bonus, as follows:

- The Bonused Space Local Arts Advisory Council will have three appointees by the Council Member and two appointees to be chosen by the Commissioner of the Department of Cultural Affairs (DCA).
- Chair will be one of the two appointees chosen by the Commissioner of DCA.
- Appointees will be chosen from the Harlem arts, business and non-profit communities.
- The Bonused Space Local Arts Advisory Council will review the prior history and/ or potential outreach and education activities of arts organization in Community Boards 9, 10 and 11.
- The Arts Bonus requires a 15-year lease, with two 5-year renewals targeting arts organizations.
- DCA will provide staff assistance to the Council and will establish guidelines and procedures for the performance of its functions.

VI. Marcus Garvey Park

The Mayor will include in a budget amendment, for City Council approval, the following:

- \$4 million for Amphitheater
- \$1.3 million for improvements to the Park House
- \$250,000 for improvements to the perimeter walkways
- \$250,000 for improvements to the Pelham Fritz Recreation Center

VII. Transportation

- NYC Department of Transportation (DOT) will conduct a survey of alternative sites for bus drop offs and layovers off 125th Street and present the findings to Community Board 10. A survey and community presentation is scheduled to begin as soon as possible and is to take approximately two months to complete.
- DOT will provide a schedule for completion of the survey and community board review.

VIII. Health

- The City will develop the Central Harlem Community Asthma Program. The program components will include community education about asthma and available services; care coordination in clinic, school and day care settings; strengthening linkages to care and monitoring progress and impact. It is anticipated that this new program will serve an estimated 1500 children with asthma attending 11 elementary schools, approximately 500 children in 10 day care centers and several hundred patients attending the Renaissance clinic on 125th Street. The Administration will propose \$300,000 in funding for the Program in a budget amendment, for Council approval, as necessary.
- The City will work to maintain the Renaissance Health Care Network Diagnostic and Treatment Center in its current location. In the event the lease is not extended and an alternative site on 125th Street is not located, the garage site will serve as a default location for these services.
- Health and Hospitals Corporation (HHC) and the Office of Management and Budget (OMB) will work jointly over the next 6 months to review, finalize and allocate the remaining capital funding needs for the Harlem Hospital Modernization. An action plan and timeline will be presented to Council Member Dickens, Community Board 10 and the Harlem Hospital Community Advisory Board.

IX. Sidewalk Cafes

- Open and enclosed sidewalk cafes are permitted along 125th Street under the existing and proposed zoning. In response to concerns regarding sidewalk crowding along portions of 125th Street, DCP will work with the Council Members for these areas and other community representatives to identify those locations where sidewalk cafes should not be permitted.
- DCP will prepare a follow-up text amendment for the special district incorporating these proposed changes and work toward initiating public review by the end of 2008.

X. Community Advisory Board

- The Administration commits to the formation of a Community Advisory Board to monitor adherence to and report on implementation of the Points of Agreement.
- The Administration along with the local elected officials, will establish the Advisory Board within three months following the adoption of the zoning amendments by the City Council. The office of the Deputy Mayor for Economic Development will help facilitate the formation of the Advisory Board and coordinate agency reports to the Advisory Board on implementation and adherence to the Points of Agreement and issuance of periodic reports.

- While the structure of the Advisory Board has not yet been precisely determined, it is proposed to include: the three Council Members representing Council Districts 7, 8 and 9, one Congressional Representative, the Borough President, one representative each from Community Boards 9, 10 and 11, one Local Initiatives Services Corporation member, one Harlem Hospital Community Advisory Board member, one Harlem Community Development Corporation member, UMEZ, and those City agencies with primary responsibility for implementation and follow-up actions.
- The City agencies include, at a minimum, DCP, SBS, NYCEDC and DCA. Other agencies, including the Department of Health (DOH), Department of Parks and Recreation, HHC and DOT, will participate and report on the implementation of their pieces.