

CB 3 Follow Up Questions from 05/17/2022 Land Use Committee Meeting

1. Please complete the CB#3 Housing/Resiliency Questionnaire

Completed Housing/Resiliency Questionnaire is attached to this email.

2. Provide additional back-up information on the typical funding received on a per unit basis for complexes that receive RAD/PACT funding and what the status of and potential for such funding is for Campos Plaza II.

To date, there are approximately 15,000 units across the NYCHA portfolio with construction in progress or completed through the PACT program, representing approximately \$3.4 billion in capital repairs.

The status of potential PACT funding at Campos Plaza II is subject to the pending decision of Campos Plaza II resident leaders to move forward with the program, as well as their selection of a PACT Partner and the development of a PACT project scope and rehabilitation plan to be created in conjunction with Campos Plaza II residents.

3. Provide the appraisal that justified the \$182/sq.ft. price (total \$19.5 MM) for the air rights transfer at this site. Describe how this price was justified and how it compares with other air right sales in Manhattan involving NYCHA developments or other comparable developments.

The price was determined through a third-party appraisal, commissioned by NYCHA, that examines similar air rights and land sales in Manhattan. We cannot share the appraisal at this time.

4. Provide additional back-up information both quantitative and narrative on the analysis made by NYCHA that requiring that the proposed building include more affordable and deeper affordable housing was not justified based on the effect it would have on the sales price of the air rights.

Any further reduction in gross rental income generated by the new building would have a direct impact on the air rights sale price.

As explained at the 5/17 Land Use Committee meeting, the original proposal included the sale of 117,000 SF of development rights, resulting in a taller building at 644 East 14th Street and more proceeds for Campos Plaza II. Per the direction of the Tenant Association leadership at Campos Plaza I and Campos Plaza II, the 644 East 14th Street building height and number of units (affordable and market rate) were reduced and the air rights sale was pared down to 108,616 SF, resulting in a reduction of proceeds for Campos Plaza II.

5. Please explain how much air rights would remain at Campos Plaza after the proposed transfer of rights to the proposed development.

Approximately 17,000 square feet of unused air rights would remain after the transfer of air rights to 644 East 14th Street.

6. Please describe in full all of the benefits to Campos Plaza II that will be included in the 3-party agreement between Campos, NYCHA and Madison Capital Realty.

NYCHA is continuing to work closely with the tenant leaders, their legal counsel, and the 644 East 14th Street development team to finalize a legally actionable agreement that memorializes all project benefits. Because these conversations are still active, we cannot confirm final specifics at this point in time. However, the details and benefits shared in the 5/17 presentation would be included, subject to any changes that may come out of these ongoing discussions. These include:

- 644 East 14th Street building height limitation
- 644 East 14th Street affordable unit set asides and income restrictions
- Use of sale proceeds exclusively at Campos Plaza II in collaboration with the Tenant Association
- Enhanced ground floor and pedestrian improvements (including lighting and street trees)
- Ground floor retail and community facility space
- A NYCHA resident hiring plan in conjunction with NYCHA's Resident Economic Empowerment and Sustainability (REES) office.

7. Provide a report on the meeting with the cooperators of the development directly to the west of the proposed project and what the resolution is to the request to consider redesign of the project to minimize the detrimental effects on the property.

The 644 East 14th Street development team will meet with the neighboring co-op board on 6/7/2022 and will report back to the committee chair.

8. Provide a report on the meeting held including both the Campos Plaza residents and the residents of the adjacent private coop.

There is no meeting scheduled at this time.

9. Please provide the PowerPoint presentation made at the 5/17 Land Use meeting for posting on the CB3 website

Powerpoint presentation from 5/17/2022 is attached to this email.