



New York City Economic Development Corporation

## Central Harlem Mixed Use RFP Questions & Answers

*Questions listed in this document were received in writing from the release of the RFP on Tuesday, May 15, 2012 through July 7, 2012. This list also includes questions posed at the Site Visit and Informational Meeting, which was held on Tuesday June 19, 2012 at 10:00am.*

### Program

1. *Q. What sorts of cultural activities should be part of the proposal, i.e. visual or performing arts?*

A. The RFP encourages the inclusion of a cultural facility. This includes a broad range of activities, such as museum, gallery, theatre or visual and/or performing arts.

2. *Q. Residential uses are permitted according to current zoning regulations. Are housing opportunities precluded from submission to this RFP?*

A. The Development Goals section of this RFP specifies the goal of activation of the street with the use of office space, cultural use, retail use and parking. Submissions that include housing uses will be considered, however, preference will be given to those submissions that adhere to the Development Goals of the RFP.

3. *Q. Have you considered public sector office space for tenanting the future development?*

A. NYCEDC and ESD would be supportive of a mix of private, public or nonprofit offices and community facility space. We have not discussed, nor are aware of any intention to expand City or State office space.

4. *Q. Would a hotel use be permitted in the RFP submission?*

A. Hotel use is allowable under C4-7 zoning. RFP submissions should include supporting feasibility studies, including market studies of supply and demand for the hotel sector in the local area.

5. *Q. Does the RFP require the use of MWBEs and LBEs initiatives?*

A. NYCEDC strongly encourages the use of these initiatives and will give preference to those submissions that incorporate them. The RFP requests that each Respondent outline MWBE construction and permanent hiring plans as part of their submission (see Appendix C). The RFP Development Goals include developing (1) at least 5% of the total of any proposed office space at below market rents to local non-retail businesses, and (2) a minimum 5% of



New York City Economic Development Corporation

the total of any proposed retail space be rented below market to non-formulaic retail stores.

6. *Q. Do NYCEDC or ESD have a predisposition toward any scale of retail? Is there a preference for big box retail such as Staples or H&M or just local businesses?*

A. 5% of any space that is allocated to retail must be apportioned to non-formulaic retailers at below market rents. The remaining retail may be rented at market rates, sizes and uses.

7. *Q. Is a Doctor's office a valid use in relation to the RFP, even though it is a community facility use under City zoning, not an office use?*

A. Yes. Office space, whether commercial or community facility, is a permitted use for this RFP.

8. *Q. Could the Site open out onto the Plaza?*

A. The Site is not adjacent to the Plaza outside the Adam Clayton Powell Jr. State Office ("ACP") building. It is currently separated by a retail complex which houses H&M. Any ingress or egress to the Plaza would require an agreement with the State and the retail complex owners.

#### Existing Conditions

9. *Q. What geotechnical investigations have been conducted on the site?*

A. A geotechnical analysis was done as part of the Phase I environmental assessment in 2008. This has now been included in the Site File which can be purchased for \$150 by contacting [svega@nycedc.com](mailto:svega@nycedc.com). However the Phase I has expired and is now for reference only. A new Phase I will be needed for the environmental review process.

10. *Q. Is the existing parking open to the public or a mix of month-to-month contracts?*

A. The parking spaces consist of a mix of monthly and hourly parking. The parking garage is currently operated by Pro Park, under an agreement with NYCEDC.

11. *Q. Are there issues with loading on 126<sup>th</sup> Street?*

A. The current Zoning Resolution allows loading on 126<sup>th</sup> Street and the adjacent site maintains a loading dock there.

12. *Q. The RFP stated 450 parking spaces. The sign in the garage says 304 are available. Why is there a discrepancy?*

A. The parking garage is permitted to occupy 304 spaces according to the Certificate of Occupancy, issued by the New York City Department of Buildings. 450 is the total number of striped spaces. As per Addendum # 2, the RFP seeks to maximize the parking, per the 304 allowable spaces, with the maximum amount as may be feasible to be located below ground. The Certificate of Occupancy has now been included in the Site File.

13. *Q. Did NYCEDC originally build the garage? Who owns the existing design drawings? Are there any plans or drawings available for viewing?*

A. NYCEDC did not build the garage. Architectural drawings of plans for the ground floor, 1<sup>st</sup> floor, 2<sup>nd</sup> floor and 3<sup>rd</sup> floor and sections and elevations of the garage have been located, and are now in the Site File.

14. *Q. How many floors are there currently below grade?*

A. There is one subgrade parking level.

15. *Q. What is the tax lot situation on the Site?*

A. The Site shares the same tax lot as the Adam Clayton Powell Jr. State Office Building. After a Respondent has been selected, the Respondent will be responsible for subdividing the tax lot.

16. *Q. What is the depth of the subgrade level?*

A. 10.5 feet, as per the section drawing now available in the Site File.

17. *Q. Have you asked for engineering reports from the neighboring property?*

A. No. It is the responsibility of the Respondent to conduct their own due diligence with regard to the Site and the neighboring sites for anything that is not already included in the Site File.

18. *Q. How many below grade parking spaces are there?*

A. 115



New York City Economic Development Corporation

### Existing Tenants

19. *Q. Are existing tenants aware of RFP and timeline of project? Has any action been taken to induce tenants to leave?*

A. The last existing tenant lease is scheduled to expire in April of 2016. Tenants are aware of the RFP. NYCEDC will not negotiate with tenants to vacate prior to their lease expiration. However, the selected Respondent may choose to negotiate earlier lease expirations with tenants.

20. *Q. Are the terms of the leases available?*

A. A rent roll with expiration dates for each lease is available in the Site File, however the leases themselves will not be made available.

### Process

21. *Q: What is the timing of this project?*

A. We anticipate executing a contract with the Selected Respondent in the autumn of 2012. The project will be subject to an environmental review process ("CEQR"), for which NYCEDC will be the lead agency. Assuming that the Environmental Assessment Statement results in a negative declaration, this process could take approximately six (6) months as a conservative estimate. If it is determined the project would involve an Environmental Impact Statement, the CEQR process could be significantly longer than 6 months. Additionally the disposition will require the NYCEDC approvals as referenced in the Approvals subsection of the RFP, as well as the approvals required for the inter agency transfers of the State of New York's interest in the Site in accordance with the New York State Urban Development Corporation and Public Authorities Accountability Acts. After these approvals, the timeline for the completion of the project would be dependent upon the project program.

22. *Q. What is the next step after submitting a proposal by July 13<sup>th</sup>?*

A. NYCEDC and ESD will review and evaluate proposals. The strongest Respondent(s) may be asked to conduct a short presentation on their proposal. NYCEDC and ESD may then engage the strongest Respondent(s) in contract discussions.

23. *Q. Who will be evaluating the responses to the RFP?*



New York City Economic Development Corporation

A. Both NYCEDC and ESD will comprise the selection committee to review, evaluate, and make a final selection. Proposals may also be reviewed by the Department of City Planning, the Mayor's Office and other City Agencies. Summaries may be shared with the Community Board and/or local elected officials.

24. *Q. Are nonprofits allowed to bid? If so, will a different set of criteria be used to judge a nonprofit submission?*

A. Nonprofits are permitted to bid, and will be subject to the same selection criteria set out in the RFP, including price, program and execution.

25. *Q. Will this project be subject to City or State Environmental review?*

A. The project will be subject to an environmental review process ("CEQR"), for which NYCEDC will be the lead agency. ESD will be an involved agency in the coordinated review for the project. If the Selected Respondent desires to take advantage of the \$2 million RestoreNY grant for which the project may be eligible, then a State Environmental Quality Review ("SEQR") must also be completed.

#### Financing

26. *Q. Is there a particular rental structure?*

A. The only requirement regarding rent is that 5% of the commercial space is offered at below market rents to a local business and that 5% of the retail space is offered at below market rents to a non-formulaic retailer. Remaining rents may be market rate.

27. *Q. Could potential developers work with IDA or set-up a 501(c)(3) entity to assist with financing?*

A. It is the responsibility of the Respondent to secure financing sources and the appropriate capital structure to ensure the financial feasibility of the project.

28. *Q. Is any financing available for this project?*

A. Subject to the approval of the Empire State Development Corporation, up to \$2M may be available through the Restore NY to reimburse demolition costs

29. *Q. What is the Restore NY program and what is the application process?*



New York City Economic Development Corporation

A. In 2008 the City of New York received a preliminary award of a \$2 million grant under the ESD Restore NY program for a “West 125<sup>th</sup> Street Major Commercial Development specifically to be used in conjunction with demolition costs. Approval of the ESD Board of Directors is required to secure the grant for the project. A project budget, scope of work, SEQR and SHPO approval must be submitted for ESD Board of Directors approval. After ESD Board approval, the grant would go through ESD’s public hearing process and review by the NYS Public Authorities Control Board.

30. *Q. What is the structure of the \$2M New York Program Grant? Can it be structured as a loan?*

A. The Restore NY funds, if available, are provided on a reimbursement basis.

31. *Q. Who is paying for the cost of towing abandoned cars left in the garage?*

A. Disposition of the Site will be in its “as is” condition.

#### Design

32. *Q. Are renderings required to be submitted in the proposal?*

A. Renderings are very helpful in understanding the design and its relationship to the neighborhood context. At the very least, schematics and plans must be submitted.

33. *Q. What kind of aesthetic design would be preferable?*

A. The Design Guidelines section of the RFP asks that designs should take into account the aesthetic context of the neighborhood. This includes considering the residential nature of 126<sup>th</sup> Street as well as the prominent visibility to a high volume of pedestrians and vehicular traffic on 125<sup>th</sup> Street.



New York City Economic Development Corporation

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*Questions listed in this document were received in writing on July 5<sup>th</sup>, 2012.*

*Q. Do the City and State also own additional development rights above the adjacent property occupied by H&M? If so, can you cantilever over that adjacent property as part of this development?*

A. The City and State do not own additional development rights above the adjacent property occupied by H&M. Any possibility of development rights transfers can be explored directly with the private owner.