

Request for Proposals to Purchase and Redevelop the Former Lincoln Correctional

Responses to Questions

Addendum #2

Deadline for Submission of Questions: April 14, 2023

Deadline for ESD to respond to Questions April 21, 2023

Release Date: April 21, 2023

No.	Question	Answer
1	Confirming the intent is that projects will not receive an allocation of HDC/HFA or HPD subsidy to support affordable housing rental sheets, but that rent regulated units are fully supported by market-rate, unregulated units in the remainder of the building?	Confirmed. As noted on p.8 of the RFP , proposals may include State or City subsidy sources for homeownership units.
2	Will proposals contemplating tax-exempt bond financing be considered to make the project eligible for LIHTC?	No.
3	Will the State engage with respondents on developing a tax abatement program that mirrors recently expired rental programs like Affordable New York, or otherwise provide tax abatement to support development of rental housing.	Yes, as noted in RFP Section II. H. PILOT , in proposals with a ground lease structure, proposed PILOTs will be considered. These proposed PILOTs should be substantially similar to existing tax exemption programs.
4	Has ESD identified specific users that are candidates to utilize this community space?	No, but please note that community space occupants should provide cultural/educational programming as noted in pp. 7-8 of the RFP .

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5	Can you provide structural plans for the existing building?	Yes. Available structural plans have been uploaded to the ESD Lincoln RFP Webpage. https://esd.ny.gov/doing-business-ny/requests-proposals/rfp-purchase-redevelop-former-lincoln-correctional-facility
6	Would ESD consider a proposal that would include an economic development component in the form of a hotel themed around Harlem Culture?	No. Please refer to RFP Section III. B Development Program to see components required for the proposal.
7	Would ESD consider a program with 100% affordable residential units that was coupled with a hotel for transient occupancy to be 100% affordable under the RFP?	See response to Question 6 .
8	In the ground lease option, would 100% affordable mean nominal ground rent?	Yes.
9	Does ESD have the power to waive the 12 FAR requirement?	No. This RFP sets a maximum residential FAR of 12, please see RFP Section III. B Development Program .
10	If not, would it support legislation giving it that power?	See answer to Question 9 .
11	Would ESD exercise existing or conferred power to waive the requirement for this site?	See answer to Question 9 .
12	Section B Development Program, third point, regarding City or State Subsidy sources for Rental Unit proposals: does this also extend to include	

No.	Question	Answer
	application for City or State Tax Exempt Bonds and LIHTC in addition to subsidy dollars? Could ESD please indicate if there is specific volume cap available for this project specifically?	Yes, Section III. B, third point also precludes the use of City or State Tax-Exempt Bonds and LIHTC.
13	Could ESD please highlight which State or City Homeownership Unit programs are available?	<p>Applicants may find available Homeownership Unit programs at</p> <p>New York State Homes and Community Renewal: https://hcr.ny.gov/ https://hcr.ny.gov/affordable-homeownership-opportunity-program</p> <p>and</p> <p>New York City Department of Housing Preservation and Development: https://www.nyc.gov/site/hpd/index.page.</p>
14	Which of these programs does ESD deem to be most appropriate to apply for this site?	ESD asks respondents to make their own judgements on which combination of subsidies would be most appropriate.
15	It seems that the RFP is encouraging a complete tear down and new build. Is this ESD's preference for a new building to be constructed in lieu of historic renovation and vertical extension?	ESD has no preference between the two. Although, we anticipate a demolition and new build scenario would be the most efficient way to achieve maximum available residential FAR.
16	May the 6% SDVOB goal be achieved through the whole lifespan of the project including operations of a stabilized asset or does it need to specifically during pre-development and construction?	The 6% SDVOB goal is specifically for pre-development and construction.

No.	Question	Answer
17	Is there any additional information that can be shared on which elements of the existing building were financed with Bonds that are outstanding?	No.
18	In terms of maximum Gross Floor Area, can we assume typical zoning deductions to result in a higher Gross Floor Area than the 12 FAR Zoning Floor Area?	Yes, you may assume this.
19	Each member of our development team would like to submit their current operating budget and previous 3 years of audited financials directly to ESD, due to the confidential nature of these documents. Where should they be sent and to whose attention?	Materials should be sent to the primary designated contact for this procurement: John.Discolo@esd.ny.gov
20	Page 7 of the RFP (Section H) states that, in a ground lease structure, “The cost of the demolition work under the contract would be advanced by the developer as work progressed and payment by ESD for the work would be made at Closing.” Please clarify if ESD will contribute payment for the cost of demolition in a ground lease scenario.	ESD would not contribute payment for demolition cost in a ground lease scenario.
21	Is the separate demolition agreement with ESD that is described in the PILOT scenario (page 7 of the RFP) available in a fee ownership scenario?	A PILOT is only available while ESD holds title. It would not be available in a fee ownership scenario. Therefore, demolition prior to land closing is not necessary in a fee ownership scenario.
22	What is the involvement of HPD and/or HCR in this RFP process?	HPD and HCR are both aware of this RFP.

No.	Question	Answer
		ESD plans to involve HCR in the selection process. For proposals with a homeownership program, HCR will review this proposal and provide feedback to the Selection Committee.
23	For each form listed in Section XII of the RFP (“Procurement Forms and Requirements”), can ESD indicate if the form/requirement is applicable to the prime respondent only or the prime respondent and sub-consultants?	Respondent Team members, including prime respondents and sub-consultants, must complete forms associated with State Finance Law Section 139-j and 139-k. Only entities part of the Respondent Team’s ownership structure needs to compete the other forms provided in RFP Section XII.
24	Please confirm if the Technical Proposal and Administrative Proposal should be submitted as two separate PDF under separate covers.	Please submit all proposal components as one document. An exception is the project underwriting, which can be submitted separately.
25	Is there an asbestos survey available for the existing building?	<p>Available asbestos and lead surveys have been uploaded to the ESD Lincoln RFP Landing Page.</p> <p>https://esd.ny.gov/doing-business-ny/requests-proposals/rfp-purchase-redevelop-former-lincoln-correctional-facility</p> <p>Please note, reports and surveys may not be all-inclusive. The designated develop is fully responsible for conducting their own due diligence.</p>
26	Is ESD able to provide any sections showing the floor-to-floor height of the existing building?	See answer to Question 5.

No.	Question	Answer
27	Is ESD able to provide any surveys, site plans, or geotechnical studies?	<p>Available surveys, site plans, and geotechnical studies have been uploaded ESD Lincoln RFP Webpage:</p> <p>https://esd.ny.gov/doing-business-ny/requests-proposals/rfp-purchase-redevelop-former-lincoln-correctional-facility</p> <p>Please note, available information may not be all-inclusive. The designated developer is fully responsible for their own due diligence.</p>
28	Is ESD able to provide CAD drawings for the building or site?	No CAD drawings are available for the site.
29	Is ESD able to provide any Structural/Architectural/MEP drawings for the building produced prior to state's acquisition of the site?	See answer to Question 5.
30	Is there preference for preservation or demolition/new build?	See answer to Question 15.
31	Is the 12 FAR cap for residential only?	Correct, non-residential use is to be proposed in addition to the 12 FAR cap laid out in RFP Section III. B. Development Program.
32	Will the proposal need PACB approval?	PACB approval is only needed when ESD acquires property. As ESD currently owns the project site, it does not anticipate any proposed project to trigger PACB approval.
33	If the development team brings in an outside equity source, such as an insurance company or	Proposals that require outside equity sources should describe how cash flow would be



No.	Question	Answer
	<p>pension fund, to finance the development program, that equity source is likely going to require the majority of cash flow generation by the project as a return on its invested capital. How will ESD view the distribution of economic benefits with respect to this scoring criteria?</p>	<p>distributed in enough detail for ESD to gain an understanding of how much of the project’s economic benefits Respondents anticipate would accrue to the managing members.</p> <p>In the partnership structure chart or diagram required by RFP Section IV. A, please make clear how anticipated cash flow would accrue to the partnership structure.</p> <p>Please note, a key priority in this RFP is MWBE participation. Please see RFP Section IV. A. and Section VI.</p>

Each of the foregoing is added to and made part of the RFP. Any questions regarding this addendum may be submitted to the designated contact account for this solicitation at LincolnRFP@esd.ny.gov