

# NEW HOUSING NEW YORK LEGACY PROJECT

REQUEST FOR PROPOSALS

July 12, 2006

Questions & Answers



THE CITY OF NEW YORK  
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

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## The New Housing Marketplace

CREATING HOUSING FOR THE NEXT GENERATION



AIA New York Chapter



## I. **Competition: Eligibility, Registration, Submission Criteria, Process, Timeline**

### 1. **What is the New Housing New York Legacy Project?**



The Department of Housing Preservation and Development has designated a vacant 40,000 square-foot site in the South Bronx as the future location for a mixed-income housing development. The City-owned Site, currently valued at more than \$4 million, will be sold to the awarded architect-developer team for a nominal fee.

NHNY is holding a competition to design a 150-unit, environmentally sustainable development with open community space for this Site. Through a two-stage process structured to foster innovation and design excellence, a short list of five (5) architect-developer teams will be invited to submit exemplary proposals. A jury of architects, city commissioners, community representatives and developers will judge submissions using criteria that emphasize sustainable and healthy design principles. A series of community workshops will enable future residents to voice their wishes and concerns to the finalists.

NHNY will document the design proposals and the competitive process itself through educational programming, including an exhibition at the Center for Architecture in early 2007 and a final report. This will allow professionals and the public to reflect on the future of housing development and NHNY as a replicable model in New York City and elsewhere.

Finally, the winning design will be built on the Bronx Site. With a \$145,000 New York State Department of Environmental Conservation environmental remediation grant, predevelopment is scheduled for 2007 and construction is to begin in 2008.

NHNY is committed to setting a new standard for affordable housing design and development; creating a competitive model that can be replicated in New York and across the country; and providing an *affordable, sustainable, high-quality* home for the participating Bronx families.

### 2. **How does the competition work?**

The Legacy Project Development Team will be selected through a two-step, juried process. Respondent Teams must include developers, architects, engineers, LEED-certified environmental consultants (if an architect is not LEED-certified), and construction managers or general contractors. Respondents are encouraged to develop further creative collaborations. Established firms are encouraged to partner with emerging designers and developers.

Step 1 is an open request for qualifications. Based on an evaluation of the Step 1 submissions, the NHNY Jury will select up to five (5) Finalist Teams, who will be invited to go on to Step 2 and submit a full Proposal in response to the RFP.

**3. What is the award?**

The NHNY Jury will select one winning team from among up to five (5) Finalist Teams. The selected Development Team will be invited to commence negotiations with HPD regarding development of the Site pursuant to the winning Proposal. Please refer to the [NHNY RFP](#) Section 10.0 for Conditions, Terms and Limitations.

**4. Who can enter the competition?**

The competition is open to all individuals, teams and firms in the United States and abroad with the following exceptions and qualifications:

- Members of the NHNY Steering Committee and the Jury, as well as the firms, organizations, or agencies they represent, and immediate family and household members of the same, are not eligible to enter the competition.
- Paid employees of the NHNY financial Sponsor Organizations (to date, 7/12/06: the NYC Housing Preservation & Development, American Institute of Architects New York Chapter, New York State Energy Research and Development, Center for Architecture Foundation, Enterprise, and Chase CDC) are also ineligible from entering.
- The NHNY Steering Committee and the Jury retain the right to disqualify any entry that presents a conflict of interest.

**5. Is there a preference for team structure - a mix of big guys & little guys?**

Preference will be given to teams and proposals that:

- Set a high standard for innovative design in affordable housing, promoting design excellence and sensitivity to the needs and priorities of community residents, including an emphasis on health and healthy living.
- Demonstrate the ability to achieve long-term environmental and economic sustainability and savings through life cycle costing, which

benefit owners, occupants, and the community with minimal incremental up-front costs.

- Propose replicable financing and ownership structures that leverage private investment and public subsidies towards long-term affordability.
- Promote successful ongoing partnerships between private enterprise and public agencies in the revitalization of urban neighborhoods.

A team that includes the necessary people and professionals to meet these goals will have a stronger chance of making it to Step 2 of the RFP.

**6. Can developers that do not make it to Step 2 become part of teams that were selected to go on to Step 2? How much flexibility is there in the way the teams are composed between Step 1 and Step 2?**

The Jury will invite up to five (5) Finalist Teams to submit full proposals in Step 2 of the competition based on which teams' composition and structure best complement the NHNY Project. Therefore, team members are expected to remain consistent between Step 1 and Step 2. No substitution of the required team members will be allowed.

However, in Step 2, Finalist Teams are allowed to add additional optional members, such as a landscape architect or lighting consultant, who can bring additional expertise to developing the team's full proposal.

As a reminder, Step 1 submissions must include the following required team members:

- Developer
- Design Team
  - Design Architect
  - Housing Architectural Consultant and/or Architect of Record, if different from Design Architect
  - Structural Engineer
  - Mechanical/Plumbing Engineer
  - LEED-certified Environmental Consultant (if the architect is not LEED-certified)
- Construction Manager / General Contractor

**7. Does the design team have to designate an architect of record (registered architect) on the submission for Step 1?**

Yes.

**8. Does the Respondent Team have to designate a construction/management company on the submission for Step 1?**

Yes, if the Respondent Team is choosing to use a Construction Manager. If the Respondent Team chooses to use a General Contractor instead of a Construction Manager, then a General Contractor must be designated.

**9. Could a foreign developer partner with a local developer for the competition?**

Yes.

**10. Is there any requirement on how the architect & developer should interact with each other? For example, will a sample contract be provided or do they get to decide on how they work w/ each other?**

The architect(s) and developer are responsible for determining their working partnership. NHNY will provide a sample contract.

**11. Is a contractor or a construction manager a mandatory component of the Step 1 Design-Development Team or is it optional?**

A contractor or a construction manager must be identified as part of the Step 1 submission.

**12. Do optional design team members need to be identified for the Step 1 Qualifications Submission?**

The following team members must be identified for Step 1 Qualifications: Developer, Design Architect, Housing Architectural Consultant and/or Architect of Record, Structural Engineer, Mechanical / Plumbing Engineer, and a LEED-Certified Environmental Consultant (if the architect is not LEED-certified). Identifying an Electrical Engineer, Lighting Consultant, and Landscape Architect are optional in Step 1.

**13. As a developer, can I partner and submit a proposal with more than one architect?**

Yes, each proposal's design team can have more than one architect, as long one of the architects is the architect of record and is licensed to practice in New York. However, each proposal will be evaluated on financial viability, so the Jury will look more favorably on proposals with reasonable soft costs relative to the project's size and scope.

**14. Can a developer be part of two teams? Or would the teams be disqualified? What about engineers?**

Yes, developers, engineers and other building professionals can be members of more than one team.

- 15. Our team is interviewing possible general contractors. We have approached one particular GC who only uses union labor (they have a fantastic track record and background). However, we wouldn't want to include them as a team member if doing so hurts our chances of being selected. Hard cost estimates are likely to be higher if we select this company than they would be if we selected a non-union contractor. We realize being competitive on a cost basis is important. Is there any information you can provide me on this topic that would help me make a decision about whether or not we should consider contractors who use only union labor?**

The NHNY Legacy Project RFP requires a general contractor / construction manager to be a part of the Design-Development team. Each Design-Development team must decide how the qualifications of each team member will impact the overall team's competitiveness, based on the Selection Criteria detailed in the RFP. The Jury will be looking at each proposal's financial feasibility, among other considerations, in selecting the Development Team, so the Developer must balance these considerations.

- 16. Can the Developer also act as Builder/Construction Manager?**

Yes.

- 17. If the architect on the Design-Development team is already LEED-certified, is there a requirement to include a LEED-certified consultant?**

No.

- 18. Has there been further discussion since the Kick-Off Event about opening up the number of Finalist Teams that will be short-listed and invited to submit full proposals?**

As stated in the RFP, the jury will select up to five (5) Finalist Teams to submit full proposals.

- 19. What are the submission requirements?**

For Step 1: Open Request for Qualifications, please refer to the [NHNY RFP](#) Section 7.2 Submission Requirements.

For Step 2: Open Request for Qualifications, please refer to the [NHNY RFP](#) Section 8.2 Submission Requirements.

- 20. What are the selection criteria?**

Step 1: The Jury will evaluate Respondents’ submissions using the following criteria:

Demonstrated ability to respond to a range of complex design/development challenges with innovative solutions, executed with a high level of design and construction quality **Weight: 35%**

Respondent Team composition and structure that presents the best complement of interrelated qualifications for the NHNY Project **Weight: 20%**

Experience in developing affordable housing in comparably dense urban areas **Weight: 15%**

Expertise in affordable housing development in New York City **Weight: 10%**

Completed design/development projects that embody concepts and solutions that can be easily replicated, adapted or transferred to other locations **Weight: 10%**

A record of successful completion of projects incorporating high-performance, environmentally-responsible systems and a range of sustainable design strategies **Weight: 5%**

Experience in executing development projects on physically constrained and environmentally-compromised sites **Weight: 5%**

Step 2: The Jury will evaluate Finalist Teams’ Proposals using the following criteria:

Innovative Design **Weight: 30%**

Green Building / LEED Rating **Weight: 20%**

Economic Feasibility **Weight: 30%**

Replicability **Weight: 10%**

Team Experience **Weight: 10%**

See RFP Section 8.3 Selection Criteria for detailed explanation of the criteria.

**21. What happens to my team’s submission?**

NHNY, HPD and the AIA shall retain ownership and publication rights of all submissions. Submissions will not be returned.

**22. Can the submission forms be released in Word and Excel formats?**

Yes, the required submission forms will be made available in both Word and Excel forms. It will be posted on the NHNY website:

<http://www.aiany.org/NHNY/>.

**23. Can respondents submit the Step 1 Qualifications on-line?**

No, submissions by email will not be accepted. The RFP requires that each Design-Development Team mail or deliver one (1) original and four (4) hard-copies of its Step 1 submission to the Center for Architecture, 536 LaGuardia Place, New York, NY 10012. All Step 1 submissions must be received by July 24, 2006, 4PM EST. Please refer to the [NHNY RFP](#) for complete submission requirements.

**24. Does a "page" for the RFP qualify as 1 sheet of 8.5" x 11" or 11" x 17"? Or does a sheet of 11" x 17" count as two pages or count as one?**

For Step 1 submissions:

The Design Portfolio (Exhibits Tab G) section may be submitted on either 8.5" x 11" pages or 11" x 17" pages. Either page format will be considered as one page.

Only use 8.5" x 11" pages for the rest of the submission.

**25. We are anticipating a difficulty coming in under the 40 page overall limit for the Step 1 Submission. A large part of our additional pages come from the fact that we will be a joint venture, thus will have more members on our team, thus more resumes, more entity questionnaires, etc. We think our response will probably be closer to 50-55 pages, even though we intend to follow strictly the page limits on the narrative pieces (development experience, portfolio, etc). Do you think this will disqualify us?**

Respondent Teams are encouraged to stay within the 40 page overall page limit for Step 1 Tabs A-G (please see the [NHNY RFP Addendum No. 1](#) for amended submission requirements). On the other hand, staying within the page limits of the submission requirements is not a threshold requirement for Step 1 and therefore, not a reason for disqualification.

**26. Will woman- and minority-owned firms be given preference in this RFP?**

To-be-determined.

**27. What is the Enterprise Foundation's role in the competition?**

Enterprise is a sponsor of the NHNY Legacy Project. They have provided grant funding to hold this competition, and will be conducting a financing workshop as part of the pre-submission conference.

## II. Development Site: Site, Urban Renewal Plan and Zoning

### 1. Where is the site?

The NHNY Legacy Project Site is located on the [southeast corner of E. 156th Street and Brook Avenue in the South Bronx](#).

### 2. Regarding the privately-owned rail right-of-way, will there be a light and air easement in place to put windows along the eastern portion of the site?

The City owns the air-rights over the rail right-of-way, 22.5 feet above the ground, which should be considered part of the Site, so windows can be included on the east side of the Site. HPD is in negotiations with the owner of the right-of-way. HPD will provide an update on this issue to Finalist Teams upon their selection. HPD asks teams not to contact the owner at this stage.

### 3. Is the cost of the air-rights included in the acquisition cost?

Yes. The acquisition price of the Site is \$1.

### 4. Do the air-rights include an easement to drop piles into the rail right-of-way?

No. The City does not own the land in the rail right-of-way. The air-rights allow the use of the FAR from the rail right-of-way for development above 22.5 feet over the ground.

### 5. Are the rails from the legally-abandoned railroad line still there? What is the extent of the line?

The rails have been removed from the rail right-of-way. The northern portion of the rail right-of-way starts at E. 163rd Street and extends to Port Morris to the south.

### 6. There is a small triangular site north of the site across E. 156th Street – is it City-owned? What about the small triangular site across Brook Avenue southwest of the site? Are there any plans for those sites?

Both triangular sites are currently City-owned. The open-trench north of the site is privately-owned. The triangular site southwest of the Legacy Site will be transferred to Parks' GreenThumb Program. A local community group working with children will build a community garden there, which will be open to the public.

**7. Can I get a copy of the Bronxchester Urban Renewal Plan?**

Yes, please submit this request in writing to Karen Hu at [huka@hpd.nyc.gov](mailto:huka@hpd.nyc.gov).

**8. Will the Bronxchester Urban Renewal Plan need to be changed to meet the requirements of the New Housing New York Legacy Project RFP?**

No.

**9. Regarding the Hub Office and Retail Center being built on Bronxchester Site 12 (southwest corner of E. 156th Street and Brook Avenue), what is on the public record about its design?**

Please go to the [News](#) section of the NHNY website to view the renderings of the Hub Office and Retail Center.

**10. Can the municipal garage that is being rehabilitated across Brook Avenue from the site be use to meet the Project's parking requirements?**

No.

**11. Regarding the Hub Office and Retail Center being built on Bronxchester Site 12 (southwest corner of E. 156<sup>th</sup> Street and Brook Avenue), will the construction overlap with the construction of the Legacy Project?**

Construction for The Hub Office and Retail Center is already underway. We do not foresee the construction of the projects overlapping.

**12. Given the amount of new housing being developed in the area, has there been any discussion in the City about adding new schools?**

The EIS for the Melrose Commons Urban Renewal Area, northwest of the site, finds that the school district is currently underutilized.

**13. Can you describe the financing program used to build, and the estimated incomes of the residents living in, the Melrose Court (Mott Haven North Site 404) project across E. 156th Street from the site?**

Melrose Court was built in the early 1990s through the Housing Partnership. The residents of the housing likely fall within the moderate/middle-income categories.

**14. Are the tennis courts to the south of the site City-owned?**

Yes, the Department of Education has jurisdiction of that property.

**15. Is there a proposed zoning for the site?**

While we assume that C4-4 (R7 equivalent) is a natural zoning designation for this site based on surrounding zoning, HPD will work with the Dept. of City Planning to determine the Site's zoning based on the winning proposal.

**16. Will the proposed rezoning happen at the same time as the ULURP?**

Yes, the rezoning will be part of the ULURP application for the disposition of the Site to the selected Development Team.

**17. The train track area adjacent to the development site may attract litter and rats. Will the building owners have a right to put up fences around all sides of the track area, remove litter on an ongoing basis and take any other ongoing measures to ensure the train ditch does not cause an unsafe environment for the tenets of Block 2359, p/o Lot 3?**

HPD is determining whether it is possible to acquire the privately-owned rail-right-of-way. If acquisition is not possible, as with any other development site, HPD will encourage the selected Development Team to delineate the property's boundaries, secure the premises and take ongoing measures to ensure a safe and sanitary environment for the occupants. As for the privately-owned rail right-of-way, HPD cannot grant access to privately-owned sites.

### III. Project Program

1. **What is the nature of the public space portion of the project? Is it community space? Is it accessible only by the owners?**

There is no required public space as part of the Legacy Project. The NHNY Steering Committee encourages the inclusion of community space in the Project. Should Finalist Teams choose to use the Optional Quality Housing Program, a certain amount of recreation space is required, among other residential amenities. Please see [The Zoning Resolution](#) for more details.

2. **What is the requirement for the Project in terms of units: rental/ condo/ mixed?**

Proposals may include all rental, all homeownership, or a mix.

3. **Does HPD have a preference for rentals or ownership units for the residential portion of the project?**

No, this decision is left to the discretion of the Respondent Teams. It is hard to give a definitive answer to whether the community has a preference for rentals or homeownership. There was some discussion of homeownership at the NHNY Community Workshop on May 31st. Outside of this competition, Community Board 1 has expressed interest in seeing more homeownership opportunities in the area. There are a few co-op projects being built in the South Bronx at this time, and they have been well-received in the community. However, there is also a focus on affordability. We are asking the Respondent Teams to consider these trade-offs in their Proposals.

In terms of homeownership projects in the immediate vicinity, Melrose Court is a condo project built at Mott Haven North Site 404, directly north of the Legacy Site across E. 156th Street. At the northwest corner of E. 156th Street and Brook Avenue, a 61-unit condo building is currently under construction. Three-family Nehemiah Homes are located east of the Legacy Site on St. Ann's Avenue, south of E. 156th Street.

4. **The Community Workshop participants mentioned a preference for having community space in the program. Does this community space need to be a dedicated community space or can it be flex space?**

Our understanding is that participants would be open to a flex space, so long as the community could utilize it.

5. **Does a community-based organization have to be selected to run the community space?**

Given that community space is not a program requirement, a community-based organization is not required to be part of the Respondent Team. It is up to each team to decide how any community space, if applicable, will be operated.

- 6. The RFP stated a preference for senior housing. Do you expect supportive services to be included on-site as part of the senior housing component?**

It is up to each team to decide how a senior housing component would be operated. The senior housing preference came out of HPD's discussions with Councilwoman Maria del Carmen Arroyo, who feels that there is an extreme housing need for senior citizens.

- 7. Is Councilwoman Maria del Carmen Arroyo interested in other supportive housing types, besides senior housing?**

No, her focus for this project is seniors.

- 8. What percentage of the housing should be for seniors?**

While there is no set percentage attached to the senior preference, we would encourage an inter-generational mix for the overall program.

#### **IV. Financing Program, Affordability Requirements, Public Subsidies**

**1. What is the required mix of affordable versus market rate units?**

A minimum of 20% of units must be affordable to households earning up to 80% of the Area Median Income (AMI), as adjusted for household size. Proposals must meet the minimum affordability requirements and guidelines set by each subsidy program. Proposals that maximize affordability with the least amount of subsidy will be given preference. Proposals should target multiple income tiers.

**2. Will the proposed development benefit from any sort of tax abatement with the City? If so, is the developer responsible for obtaining the tax abatement?**

The residential component of the Project may be eligible for an Urban Development Action Area Program (“UDAAP”) tax exemption or a 421-a partial tax exemption, both of which are administered by HPD and implemented through the New York City Department of Finance (“DOF”). For details of each program, it is necessary to consult the relevant statute and rules.

The UDAAP tax exemption is subject to approval by the City Council. The City Council may grant an exemption from the New York City Real Property Tax on the buildings/improvements for up to 20 years. If the Council grants the full 20 year exemption, the Project would be fully exempt from the New York City Real Property Tax on the building/improvements for the first 10 years with a gradual phase-in of full taxes over the remaining 10 years (10% per year). The full amount of the New York City Real Property Tax on the land must be paid each year.

The 421-a partial tax exemption for new multi-family buildings provides an exemption from the New York City Real Property Tax on the increase in assessed valuation resulting from the improvement to the property. The 421-a partial tax exemption allows up to 3 years of construction period exemption, and up to 25 years of post-construction exemption, including a gradual phase-in of full taxes over the last four years of the exemption. The full amount of New York City Real Property Tax on the assessed valuation of the property in the tax year preceding the tax year in which construction commences must be paid each year. In addition, New York City Real Property Tax must also be paid for any commercial, community facility or accessory uses that in total exceed 12% of the aggregate floor area of the Project.

The selected Development Team would be responsible for pursuing any applicable tax exemptions.

**3. What percentage of the Project's financing should be privately financed versus publicly subsidized?**

Preference is given to proposals that maximize affordability for the least amount of subsidy. The only financing requirement in the RFP is that a minimum of 20% of the Project's units be affordable to families at or below 80% of the Area Median Income. The total cash subsidy from HPD and the Housing Development Corporation (HDC) must not exceed \$85,000 per residential unit.

**4. Are low-income housing tax credits included in the \$85,000 subsidy cap from HPD and HDC?**

No.

**5. When will HPD and HDC release the new term sheets for its programs?**

As of July 2006, HDC has released new terms sheets for the Low-Income Affordable Marketplace Program (LAMP) and New Housing Opportunities Program (New HOP).

They are available for download at [HDC's website](#). The new term sheets will also be posted on the [NHNY website](#) in the News section.

**v. Sustainability**

- 1. What system are we to meet for the “green” portion of the project? (Enterprise Foundations requirements? LEED? Energy Star?)**

Meeting or exceeding a LEED Silver rating is required for this project. Complying with the NYSERDA Multifamily High-Rise ENERGY STAR Simulation Guidelines is also required.

Projects that meet the LEED Silver requirement will also be in compliance with the Enterprise Green Communities Guidelines, and therefore could consider applying for a Green Communities Grant. The Enterprise Green Communities Guidelines are provided as a reference in the [NHNY RFP](#).

- 2. How do the Enterprise Green Communities Initiatives Guidelines compare to the LEED Silver requirements?**

The Green Communities criteria are much less stringent than the LEED Silver criteria. If the Project is designed to meet or exceed LEED Silver, the Project will easily meet the Green Communities criteria, which will enable the Development Team to qualify and apply for the Green Communities Grants. Please note, however, that the Green Communities guidelines have more mandatory requirements than LEED.

- 3. Does the Project have to be LEED certified?**

Yes, the Project is required to be certified at or above the LEED Silver level.

**VI. Design: Design Guidelines / Building Code**

- 1. How are Legacy Project RFP's Design Guidelines different than HPD's Design Guidelines for New Construction?**

For the Legacy Project, HPD is only requiring that proposals meet the minimum room sizes and certain apartment arrangements from the HPD Design Guidelines for New Construction Guidelines. Refer to the [NHNY RFP](#) Section 5.2 for the NHNY Design Guidelines.

- 2. HPD and HDC both have design guidelines for the projects using its program and public subsidies. Which set of guidelines will prevail in this case?**

The more stringent design guidelines apply.

- 3. How flexible are the design guidelines relative to permitting and approvals at Department of Buildings?**

Proposals must follow the required design guidelines. If a modification to either the New York City Building Code or the Zoning Resolution would allow for a better solution, suggested modifications must be accompanied by a clear and persuasive explanation of the proposed changes, which will be discussed with the Dept. of Buildings for consideration.

- 4. Is it prudent to include the rail right-of-way in the proposed designs?**

We hope to have a better sense of whether the rail right-of-way can be acquired by the time the short-listed Finalist Teams are announced. We will provide more guidance on this to the Finalist Teams.

**VII. Public Approvals, Pre-development, Brownfield Issues, Disposition Process****1. Who is responsible for ULURP? Who will be responsible for the fee?**

HPD will be the lead agency for the ULURP process. There will be no fee. HPD will work with the selected Development Team to prepare the application and review materials.

**2. What is the timing of the Uniform Land Use Review Procedure (ULURP) action?**

The rezoning and the disposition will occur within the same ULURP application. We anticipate the pre-ULURP and ULURP will take 12-18 months.

**3. What can the NHNY Steering Committee do to streamline the remediation and public approvals process?**

We understand that the public approvals process is complex. To the extent possible, HPD will work with the selected Development Team to expedite the public approvals process. In addition, at the June 12th press conference, Patricia Lancaster, the Commissioner of the Department of Buildings, indicated that DOB and its staff will do its best to streamline the review and permitting process.

**4. How will the Phase II Environmental Report be distributed?**

The Phase II will be posted as an addendum to the RFP on the following websites in late summer 2007:

HPD: <http://www.nyc.gov/html/hpd/html/developers/rfp.shtml>  
NHNY: <http://www.aiany.org/NHNY/>

It will also be available for purchase for \$75. Please email Karen Hu at [huka@hpd.nyc.gov](mailto:huka@hpd.nyc.gov) to request a hard copy when it becomes available.

**5. Will an Environmental Impact Statement (EIS) be expected as part of the environmental review process? Who will fund it?**

HPD does not expect an EIS will be needed, but we do anticipate the Development Team will need to fund and complete an Environmental Assessment Statement (EAS).

**6. Can you describe the suspected types of contaminants on the Site?**

The State DEC is completing the Phase II report for the Site, which will be available in late Summer 2007. The DEC confirms that there is petroleum contamination at the northern edge of the Site, where there used to be a gas station. The petroleum appears to be confined to a small peat layer 15-17 feet deep. The rest of the Site has typical fill contamination with some contaminants associated with the railroad operations.

The selected Development Team has the option of enrolling in the Brownfield Clean-Up Program, which allows the team to capitalize the hard costs of the Project. Depending on the financials, the developer can potentially qualify to receive approximately 14% of the total development cost as a back-end tax credit. This might interest some for-profit developers. It is unclear whether non-profits can participate in the program. Condos are currently excluded from the program; cooperatives and rentals are allowed.

**7. Has the site been identified as a brownfield at the Federal, State or City level?**

The City does not define brownfields. The Site meets the criteria for qualifying as a brownfield – i.e., how the impact on the Site’s redevelopment is defined and the fact that there are source contaminants on the Site. Once the Development Team is selected, the City and the Development Team can elect to become co-applicants to the Brownfield Clean-Up Program, assuming the Development Team meets certain eligibility requirements: the developer was not a principal of the responsible party for the contamination; a previous owner of the site; and the developer does not have any criminal actions against him/her.

**8. Will the land be leased by the City to the winning developer? Does the developer purchase it?**

The Site will be sold outright to the selected Development Team, not leased. Disposition of the Development Site to the Development Team will be subject to: (1) the receipt of all public approvals required for the disposition of such Development Site and the development of the proposed Project on such Development Site, including without limitation, approval by the Mayor; and (2) the simultaneous closing of a bona fide construction loan for the full development of such Development Site. The Development Site will be conveyed in accordance with the terms of the Land Disposition Agreement (“LDA”) to be entered into between the Developer and HPD at the time of sale and will be conveyed in “as is” condition. Among other terms, conditions, and provisions, the LDA will contain covenants running with the land that require the Developer to develop the Development Site in accordance with the approval by the Mayor, plans and specifications approved by HPD and the applicable Urban Renewal Plans.

Upon conveyance, the Development Team will pay the expected nominal cash price of \$1.00 per lot and will deliver an enforcement note and mortgage in the amount equal to the sum of the difference between the cash portion of the purchase price paid at closing and the appraised value of the land.

## **VIII. Community Outreach**

### **1. Can the list of participants in the May 31<sup>st</sup> Community Workshop be released?**

In addition to individual community members, the following Community-based organizations participated in the May 31<sup>st</sup> Community Workshop:

- The Bronx Borough President's Office
- Bronx Community Board 1
- Bronx District Attorney's Office, Community Affairs Unit
- Clean Energy Systems
- Gotham City Consultants
- Merging Markets
- More Gardens!
- South Bronx Food
- South Bronx Overall Economic Development Corporation (SoBRO)

### **2. What is the community's perspective on zoning – are there any concerns about a height factor building?**

At present, we have not heard specific feedback from the community about height. Our working presumption is a C4-4 (R-7) rezoning because the rest of the Bronxchester Urban Renewal Area is being rezoned to C4-4.

**IX. Marketing / Equal Opportunity**

No questions.