Vital Brooklyn RFP Sites E, F, G & H, I, J, K, and L Addendum 2
RFP Issue Date: November 29, 2018
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Contents of the Addendum

A. Questions and Answers- Enclosed is a summary of questions and answers in response to questions sent to the HCR Vital Brooklyn RFP email address.

B. Contact Information- Contact Information provided for those individuals who emailed VitalBrooklynRFP@nyshcr.org who wished to have their contact information shared in this addendum.

C. Attachments 5 and 6- Consent Order and Subsequent Modification between National Grid and the New York State Department of Environmental Conservation (NYS DEC) for SUNY Clarkson (Site L).

A. Questions and Answers- Enclosed is a summary of questions and answers in response to questions sent to the HCR Vital Brooklyn RFP email address.

All Sites

1. **Is HPD Subsidy included in the capital stack scored favorably or unfavorably?**
   A: HCR has no preference for the inclusion of City subsidy. We will score the proposal based on the *total subsidy ask*.

2. **If a development team is interested in multiple sites, can we submit one all-inclusive proposal for multiple sites, as opposed to submitting one proposal per site?**
   A: Development teams may submit one proposal for Sites E, F, G & H, now referred to as "a campus plan." Only individual proposals will be considered for Sites I, J, K, and L. If a development team is submitting a campus plan for some or all of Sites E, F, G & H, *and* the team wants to be considered for individual site awards, they must also submit separate financial models for each site. If a development team wants to submit a campus plan and *does not* want to be considered for individual site awards, they may submit just one financial model for the campus plan.

3. **Regarding the Wi-Fi initiative, page 14 of the RFP references partnerships with external funding partners for this initiative. Can HCR share information on any potential external funding partners it is aware of?**
   A: HCR does not have any potential external funding partners. Financing Wi-Fi through external funding partners is encouraged, but not required.

4. **Page 30 of the RFP says HCR will give preference to proposals that include union labor for residential building service employees. Are supportive housing front desk staff considered residential building service employees for the purposes of this provision?**
   A: In addition to porters and supers, supportive housing front desk staff may be considered residential building service employees for the purposes of this provision.

5. **Page 31 of the RFP indicates that enforcement notes may be payable at maturity. For tax-exempt bond deals, enforcement notes/mortgages payable at maturity get factored into the aggregate basis for the 50% test which triggers an increase in the amount of volume cap needed for a project. The amount is discounted by Original Issue Discount (OID), but it still uses up a significant amount of volume cap. Should we assume enforcement notes/mortgages are payable at maturity in application submissions, and if so, at what values?**
   A: For the purposes of the RFP, proposals should assume an enforcement note and mortgage that is payable or may be refinanced at maturity. The enforcement notes and mortgages are sized in amounts equal to the appraised value of the land; placeholder values are listed in the RFP for sites E, F, G & H, and K. The value of the enforcement notes and mortgages should not be factored into aggregate basis.

6. **For Tab F, are Market Comparables required for just the non-residential spaces? If Market Comparables are required for residential rents, can that be waived if all units are below 100% AMI (or another threshold that HCR determines)?**
   A: Market Comparables are required for Community Facility and Commercial spaces, and for residential rents above 80% AMI.

7. **For Tab G, References, are we required to provide names and contact information for banks/lenders/investors or letters of reference for banks/lenders/investors, or both?**
   A: References should include names and contact information for banks, lenders, and investors. Letters of reference are not required.

8. **For Tab J, Plans and Submissions, it references preliminary schematic design phase level drawings. Can residential units just be blocked out in the plans submitted with typical unit floor plans provided? Want to confirm that we do not need to provide floor plans for all residential units.**
   A: Schematic plans may block out residential unit locations and provide a key plan for each type of unit.

9. **Will there be another Pre-Submission Conference and Site Tour?**
   A: At this time there will not be another scheduled Pre-Submission Conference and Site Tour. Teams may visit the exteriors of all sites.

10. **What are the addresses for Sites E-L?**
    A: The best method of identifying sites is through the Building Block and Lots (BBL), which are listed in the RFP for each site. The BBLs will provide an accurate location.

11. **Can a social service provider (non-development partner) participate in multiple proposals for the same site?**
    A: Yes, a social service provider may participate in more than one proposal submission for the same site, but it is HCR's expectation that team members maintain confidentiality within each respondent team.

12. **Environmental Reports: Are there any reports for the sites in this RFP: Phase I or Phase II reports, in addition to the Soil Management Plan [for Site L] already released? Are there any other known environmental conditions we should be aware of in our planning and budgeting?**
    A: There are no other environmental reports available for Sites E-L at this time, other than the Soil Management Plan for Site L, which was already released. There are no other known environmental conditions for Sites E-L.

Sites E, F, G & H

13. **Were the existing buildings' floor plates analyzed for efficient rehabilitation into residential units?**
    A: Yes, analysis was conducted to ensure that the buildings' floor plates could support residential units.

14. **Have the light wells in the Lefrak and Blumberg buildings been analyzed as Inner Courts to provide light and air for habitable spaces?**

A: Yes, the light wells have been preliminarily analyzed.

15. **To fully utilize the available floor area, have the existing buildings' structure and foundation systems been analyzed for redundancy in order to permit vertical expansion of the buildings?**
    A: No, this analysis has not been conducted.

16. **Would light and air easements be considered and granted to facilitate rehabilitation of the existing buildings?**
    A: Yes, light and air easements would be considered to the extent feasible, but proposals must follow NYC Department of Building codes.

17. **Is there a preference for the income mix on Site E (minimum and maximums)? The Community and Hospital priorities say that there should be a range of affordability tiers and that the affordability mix must include very low-income and low-income units.**
    A: There is not a preference for the specific income mix. However, the Community Priorities state a preference for some units serving households at 30% of AMI.

18. **For Site E, the financing section says the proposal may include Project-Based Section 8 Vouchers. [Are the Vouchers available] for all of the units, or is there a cap on the number or percentage of units that may use vouchers?**
    A: The inclusion of Project-Based Section 8 Vouchers could be for all, or some, of the units. Depending on the number of vouchers used, additional conditions may apply.

19. **Will HCR consider proposals that demolish sites G and H for new construction instead of adaptive reuse?**
    A: HCR will consider proposals that demolish sites G and H for new construction. Demolition costs must be included in financing models, and the cost of demolition must consider the structural integrity of adjacent buildings.

20. **Is the Synagogue at the Kingsbrook Jewish Medical Center part of the Kingsbrook proposed development in this RFP or part of Site H (the Blumberg building) or part of any Site that is part of the Vital Brooklyn RFP that relates to the Kingsbrook Jewish Medical Center?**
    A: The Synagogue is not part of the redevelopment of Sites on the Kingsbrook Jewish Medical Center, and the Synagogue building will be preserved.

21. **The Synagogue serves an important community use for many Jews in the Crown Heights and East Flatbush community. Will the existing Rutland Shul entrance through the Lefrak Building (Site G) and the Blumberg Building (Site H) still be accessible to those who use the synagogue as an important community facility use? If so, can the RFP be amended to include such direction, so as to avoid any future SEQRA issues on positive effects?**
    A: Access to the Synagogue will be preserved throughout and after development is complete.

One Brooklyn Health Bishop Walker (Site I)

22. **Can a portion of the units to be developed at Site I be dedicated to supportive housing for one of the priority populations?**
    A: Supportive units do not need to serve all of the supportive populations listed in the Community Priorities.

SUNY Clarkson (Site L)

23. **Is a partnership with 1199SEIU required for the Community Hub on Site L?**
    A: No, a partnership with 1199 is not required.

24. **For Site L, does HCR contemplate any commercial uses for the ground floor of the building, or should only community facility uses be proposed? If commercial uses are contemplated, should we assume a commercial overlay for the planned R7A zoning and if so, which commercial overlay?**
    A: Commercial uses for Site L may be proposed. Proposals should assume a C2-4 commercial overlay if a commercial use is included in the proposal.

25. **The Site L Flatbush Soil Management Plan only references two borings and two soil samples. Is there additional available environmental site testing results that can be shared?**
    A: There is no additional environmental site testing available at this time. Please see the Consent Order and subsequent modifications for Site L, new attachments 5 and 6.

26. **For Site L, should we assume that the selected developer is completing the demolition? What have the discussions been if any between HCR and National Grid and/or NYS DEC regarding the development of this site for residential and community facility uses? As the remedial party under the settlement agreement related to the Manufactured Gas Plant (MGP) contamination, what is National Grid agreeing to do/will be responsible to do related to the remediation of the site for the proposed development, in regard to responsibility for costs and timing/sequencing of work? To the extent that National Grid will be responsible for the costs of certain remediation, will they be conducting the remediation themselves or entering into some kind of reimbursement or cost sharing agreement? If National Grid will be completing the remediation themselves, is that expected to occur pre-closing or post-closing? If pre-closing, how will that relate to the demolition of the existing building? If post-closing, how much time should we assume for National Grid to complete their work? In either scenario, is National Grid expected to be responsible for the removal of all on-site MGP-related source material as opposed to just covering what the costs would be of capping the site? [It is assumed that] significant additional investigation work will be required before redevelopment of the site could occur. Will National Grid be responsible for the cost of additional investigation work at the site? When is that expected to take place? Will National Grid agree to be responsible for paying NYSDEC Oversight costs associated with the proposed change in use and redevelopment activities?**

The Site Management Plan, and Health and Safety Plan, and other site contamination related documents will, at a minimum, need to be updated to reflect the planned project. What is the developer's role in this effort?
A: All aspects of the remediation of Site L will be governed by Attachments 5 and 6, the Order on Consent and Administrative Settlement and subsequent modification, of which National Grid is the subject and which will expediate the investigation and remediation of the Site. The Order specifies that National Grid (previously the Brooklyn Union Gas Company) is the Respondent responsible to investigate the site, develop a cleanup plan, and remediate the site in accordance to Department of Environmental Conservation-approved work plans.

B. Contact Information- Contact Information is provided for those individuals who indicated that they want to share their contact information.

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