

2 COLUMBUS CIRCLE

**REQUEST FOR
PROPOSALS**

March 2000



City of New York
Rudolph W. Giuliani, Mayor



**New York City
Economic Development
Corporation**

John S. Chalsty, Chairman
Michael G. Carey, President

110 William Street
New York, NY 10038

Proposers are encouraged to attend the scheduled Site visit, as EDC cannot guarantee access to the Site at any other time. **Neither EDC nor The City of New York (the "City") will be responsible for any personal injury or damage arising as a result of any visit to the Site.**

SUBMISSIONS

Five (5) copies of the proposal identified by "2 Columbus Circle" on the envelope must be submitted to, and received by EDC by 2:00 P.M., May 2, 2000. Such proposal should be delivered to the following address:

New York City Economic Development Corporation
110 William Street, 6th Floor
New York, New York 10038
Attn: Director of Contract Administration

EDC may, in its sole discretion, elect to accept proposals after the submission deadline. It is anticipated that a conditional selection of one or more proposals will be made within forty-five (45) days after the submission deadline, and each proposal shall be considered an open firm offer for said period or any extension of said period by EDC for up to thirty (30) days. The timing of the selection may differ depending upon the degree to which further information on individual proposals must be obtained or other factors that EDC may consider pertinent. Upon conditional selection, the selected developer(s) will be required to enter into a contract of sale and close on the sale of the site within a limited period of time as determined by EDC. All submissions become the property of EDC. In addition to these conditions, this letter requesting proposals and any transaction resulting from a response to this letter are subject to the conditions, terms and limitations stated in Exhibit 2 attached hereto.

IMPORTANT DATES

Site Visit: March 21, 2000, 10:00 AM
Submission Deadline: May 2, 2000, 2:00 PM

SITE INFORMATION

I. INTRODUCTION

EDC is issuing this Request for Proposals ("RFP") for the sale of 2 Columbus Circle (the "Site") in the Borough of Manhattan. 2 Columbus Circle is located on the full block bounded by Broadway, West 58th Street, Eighth Avenue and Columbus Circle (see Figure 1 - Location

Map). The entrance to Central Park is directly across Columbus Circle from the Site.

The building occupies an approximately 4,625 square foot parcel and is a nine-story white marble block, pierced by strings of circular windows. Huntington Hartford commissioned Edward Durell Stone to design the building to house the Gallery of Modern Art. The Huntington Hartford Gallery of Modern Art opened in 1964. Huntington Hartford was a collector of 19th and 20th century representational painting, and believed that New York City needed a contemporary art museum that would balance the Museum of Modern Art's emphasis on abstract art. The gallery held several major shows and important exhibitions. The property was later purchased by Gulf & Western Industries, Inc., which in 1980, through its Foundation donated the Site to the City as the home for the New York City Department of Cultural Affairs and the New York Convention and Visitors Bureau. Both the Department of Cultural Affairs and the Convention and Visitors Bureau have vacated the building, and the building is entirely vacant.

The goal of this project is to create a redevelopment opportunity that responds to today's real estate market. Proposals may either reuse the existing building or include construction of a new building, subject to the Design Guidelines herein, and in accordance with the New York City Zoning Resolution (the "Zoning Resolution") and any other regulations affecting the Site. The project must be compatible with the community while maximizing the economic benefits to the City. EDC encourages the participation of minority, women, and local business enterprises in the development process.

On the basis of the proposals submitted, EDC will select an applicant to assume sole responsibility for development of the Site. Such selection shall be subject to negotiation of appropriate agreements and receipt of any legally required City approvals. EDC will assist the development team in obtaining necessary public approvals. In order to be considered for selection, proposals must meet all requirements contained in this RFP.

EDC is a local development corporation established pursuant to Section 1411 of the New York Not-for-Profit Corporation Law that acts on behalf of the City for real estate development and related financial assistance.

II. SITE DESCRIPTION

A. Context

The Site is located on the south side of Columbus Circle between Broadway and Eighth Avenue. Columbus Circle is undergoing a rapid transformation from a long-neglected leftover open space to one of the great civic spaces in the world. The restoration of the Maine Monument and redesign of the Merchants Gate entrance to Central Park have recently been completed. A design and development team has been selected for a major mixed-use project on the Coliseum Site and

demolition has begun, with completion slated for the fall of 2003. The project is anticipated to include headquarters for AOL Time Warner, a luxury hotel and condominiums, retail space, and an auditorium for Jazz at Lincoln Center.

For the traffic circle itself, the test of an interim traffic plan proved to be a great success, and a design team has been selected to work on a permanent landscaping plan and redesign of the traffic circle and its perimeter incorporating the new traffic circle design. (see "Design Guidelines" for additional information.)

The Site is situated within the commercial core of midtown Manhattan. It is located within a mix of residential, retail, hotel and commercial establishments. This is a prestigious mixed-use location directly southwest of Central Park, three blocks northwest of the world-renowned Carnegie Hall, three blocks southeast of Lincoln Center and Fordham University, and one block east of St. Luke's-Roosevelt Hospital.

Columbus Circle is the confluence of Central Park South, Broadway, Central Park West/Eighth Avenue and West 60th Street. Central Park South has its western terminus at Columbus Circle and forms the southern boundary of the largest urban park in the United States. This thoroughfare has long had an upscale allure that has resulted in a concentration of luxury hotels, apartment buildings and restaurants. For several blocks south of Columbus Circle, Broadway is lined primarily with office buildings and pre-war residential apartment buildings. West 57th Street, which is in close proximity to the Site, is best known for its concentration of upscale retail stores, art galleries and antique shops.

The central location of the Site and its accessibility render it a prime location for residential apartments, as well as hotel and other commercial uses.

B. Site Specifics

The Site is designated as Block 1030, Lot 1 on the New York City tax map for the Borough of Manhattan. It is a trapezoidal parcel measuring approximately 4,625 square feet (see Figure 2 - Site Map). It is improved with a nine-story structure that is entirely vacant. The building's interior includes a 154-seat auditorium in the first cellar level, a 30 by 75 foot gallery on the second floor, and a kitchen facility and dining area on the ninth floor.

The property is located within the Special Midtown District and is in a C5-3 zoning district as defined by the Zoning Resolution. The maximum Floor Area Ratio (FAR) as defined in the Zoning Resolution is ten (10.0) for residential uses and fifteen (15.0) for commercial premises. The allowable uses include, but are not limited to transient accommodations, retail, eating or drinking establishments, offices and residences. Applicants should consult the Zoning Resolution for permissible uses, specific restrictions and requirements.

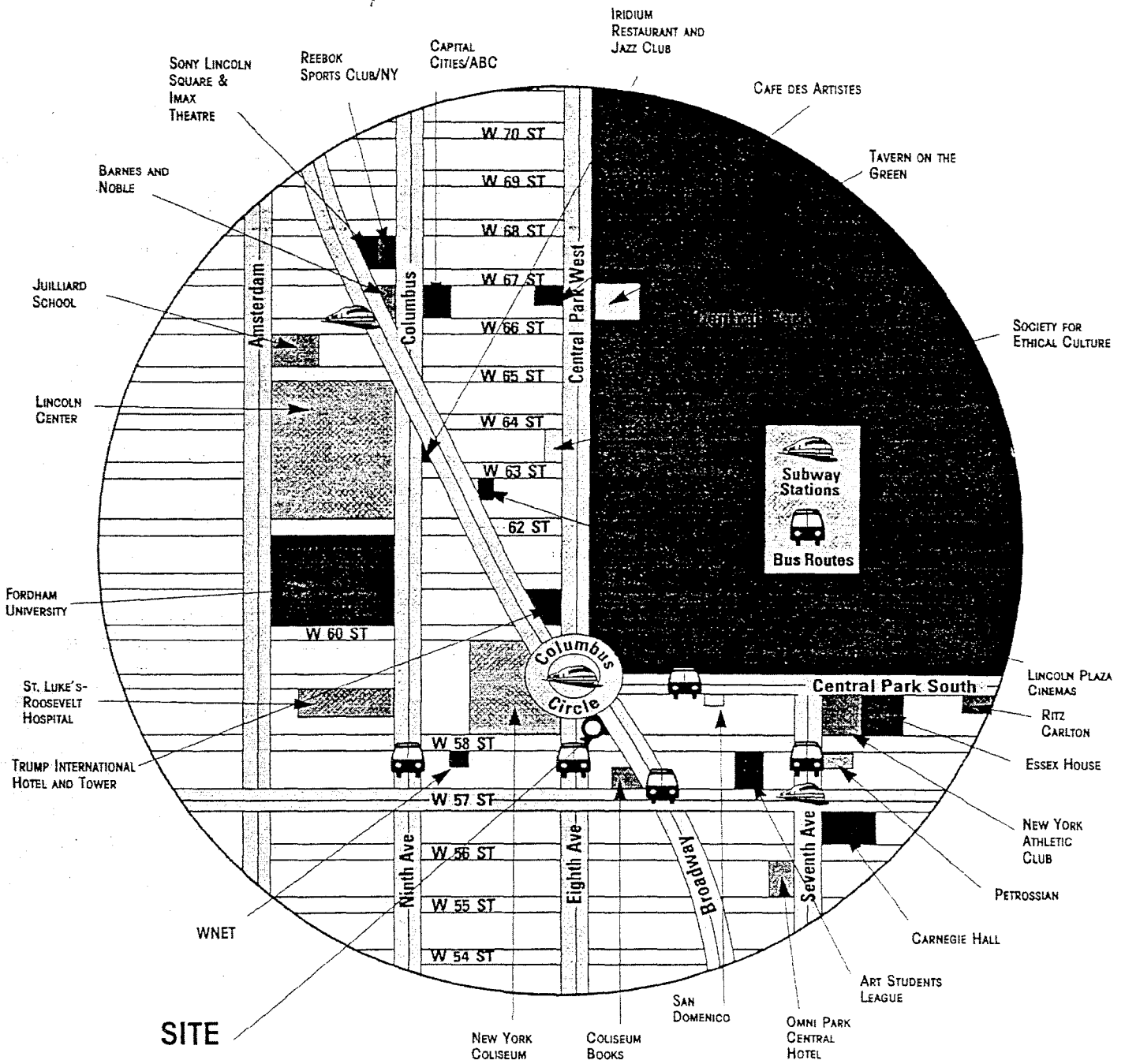
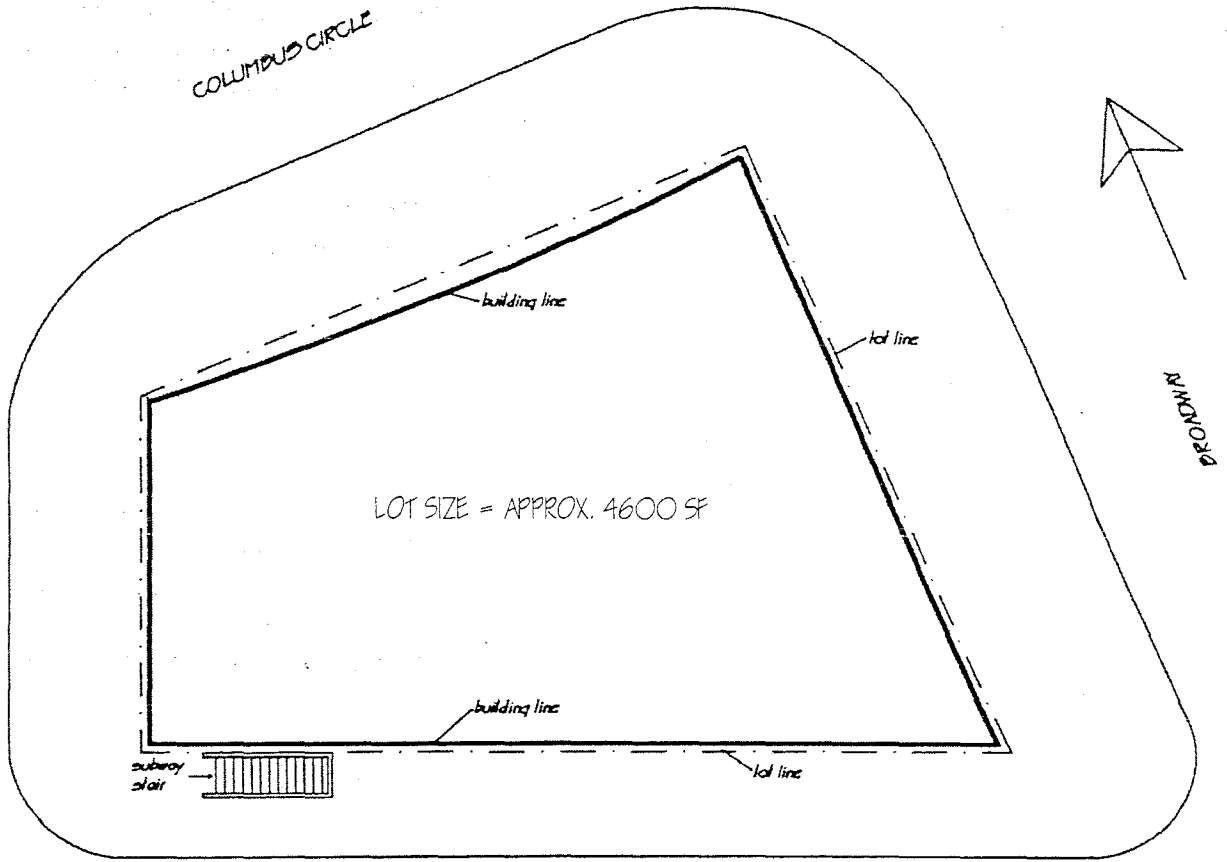


Figure 1 - Location Map

2 Columbus Circle
New York, New York

EIGHTH AVENUE

COLUMBUS CIRCLE



LOT SIZE = APPROX. 4600 SF

W. 58TH STREET



New York City
Economic Development
Corporation

Figure 2 - Site Map

2 Columbus Circle
New York, New York

Section 32-422 of the Zoning Resolution prohibits the location of non-residential uses above residences in mixed-use buildings. However the Department of City Planning has proposed a zoning text amendment as part of the Unified Bulk Program, which recognizes that in some situations, it may be desirable to locate a non-residential use on the top floor of a building directly above a residential use. For instance, a restaurant or health club may be an appropriate use at the top floor of an apartment building in a high density commercial district where access separate from that for residential use is provided. To facilitate these uses on a case-by-case basis an authorization would be available on a discretionary basis, for certain high-density commercial districts (C5 and C6 Districts), after this text amendment is approved.

Any demolition and construction plans must take into account the New York City Transit Authority ("NYCTA") requirements and easements. Instructions for obtaining a permit from the NYCTA are included in the Site Information File. Applicants should consult with the NYCTA's Department of Capital Program Management - Division of Design & Engineering Services to verify these instructions, the location of any easements or associated rights-of-way and construction requirements. Any development or demolition shall comply with all rules and regulations promulgated by the NYCTA, the Department of Transportation and any other applicable city or state agency governing the location of buildings and/or structures or machinery.

Annexed as Attachment A are the building's subcellar plan, first cellar plan, first floor plan and ninth floor plan.

C. Transportation

Transportation is an important factor positively affecting the redevelopment opportunities at 2 Columbus Circle. Access to various modes of transportation to and from the Site is excellent. The Site is well served by public transportation. The 1, 9, A, B, C, and D lines stop at the 59th Street subway station which has an entrance on the Site at the northeast corner of 58th Street and Eighth Avenue. The N and R subway lines stop nearby, at West 57th Street and Seventh Avenue. Public buses travel east and west on 57th Street and south/north/south on Seventh, Eighth and Ninth Avenues, respectively. Buses also travel north/south on Broadway north of Columbus Circle.

In addition, the Henry Hudson Parkway and the Queensboro Bridge are easily accessible from the Site via 57th Street. Grand Central Station, Pennsylvania Station and the Port Authority Bus Terminal are all within fifteen minutes traveling time from the Site.

D. Design Guidelines

This RFP allows flexibility in the range of potential uses for the site. Uses that would require a

variance or zoning change will be considered if such use is compatible and consistent with the neighborhood. However, the additional time required to obtain a zoning variance or modification will be considered when reviewing proposals that are not as-of-right developments.

A goal of the new development is for the design to reinforce the civic importance of Columbus Circle. Any new development should relate elements and features of the surrounding area, thereby helping to unify Columbus Circle.

Proposals that involve either a modification of the building's façade or new construction must conform to the following Design Guidelines:

Strike

- Frontage must reflect the geometry of Columbus Circle;
- The building shall have a solid to glass ratio of at least fifty percent (50%)
- The solid portions of the building shall be of masonry material compatible with buildings along Central Park (granite, brick, etc.); and
- The building shall include no reflective glass.

As mentioned above, the City is currently working on a permanent landscaping plan and redesign of Columbus Circle and its perimeter that incorporates the new traffic circle design. This is expected to include, but not limited to, new sidewalk materials and tree planting that should result in an upgraded pedestrian environment.

For either re-use or redevelopment of the Site, the selected developer will be required to reconstruct the sidewalk area to the standards and requirements of the New York City Department of Transportation in effect at the time of application for a building permit.

E. Disposition Approvals

EDC holds a reversionary interest in title to the Site, which EDC may exercise upon six (6) month's notice to the City. Therefore, EDC does not expect Site disposition to require approval under the City's Uniform Land Use Review Procedure ("ULURP").

ECONOMIC DEVELOPMENT BENEFITS

Depending on the use proposed, redevelopment of this site may be eligible for the City's Industrial and Commercial Incentive Program (ICIP). This program allows firms to apply for real estate tax exemptions and/or abatements. The proposed development may also be eligible for certain energy cost reductions.

For information on ICIP contact:

New York City Department of Finance
Industrial and Commercial Incentive Unit
One Center Street, Room 900
New York, NY 10007
(212) 669-2000

For information on the Energy Cost Savings Program contact:

New York City Department of Business Services
110 William Street
New York, NY 10038
(212) 513-6415

For information on the Con Edison Economic Development Incentive Rates contact:

Con Edison
4 Irving Place
New York, NY 10003
(212) 460-4000

DOWN PAYMENT, FEES AND TAXES

EDC requires a down payment of 10% of the purchase price payable at signing of a contract of sale. A non-refundable Administrative Fee (which will not be applied to the purchase price) will be payable to EDC upon signing of a contract of sale to compensate EDC for staff and other internal costs relating to the sale of the Site. The Administrative Fee is based on the purchase price. It is the obligation of the designated developer to pay all fees related to appraisal of the Site, the Uniform Land Use Review Process (“ULURP”) (if applicable) and CEQR (if applicable). These fees are non-refundable. Please reference attached schedules for Administrative, ULURP and CEQR fees in Exhibit 3. If a CEQR fee is not required because of EDC’s involvement in ULURP, a payment in lieu of such CEQR fee in the same amount will be required to be paid to EDC. Purchasers are required to pay, at closing, all transfer and mortgage recording taxes associated with the sale of the Site, whether or not any exemption can be claimed from such taxes.

SITE INFORMATION FILES

EDC’s Site Information File (the “File”), containing important public information regarding the Site, will be available beginning March 9th. Respondents are encouraged to review the File prior to submitting a proposal. The File may be purchased for \$100 or reviewed, by appointment only, in EDC’s offices at no charge. Please call Delkis Torres at (212) 312-3871 for more information.

NOTWITHSTANDING ANYTHING FURNISHED OR MADE AVAILABLE BY EDC OR THE CITY, NEITHER EDC NOR THE CITY MAKES ANY REPRESENTATION AS TO THE COMPLETENESS OR ACCURACY OF THE FILE OR ANYTHING CONTAINED THEREIN, AND THE RESPONDENT IS SOLELY RESPONSIBLE FOR ITS OWN DUE DILIGENCE WITH RESPECT TO THE SITE.

PROPOSAL REQUIREMENTS

Each complete proposal must contain the following elements:

A. Purchase Price

The proposed purchase price must be expressed in a fixed dollar amount (i.e., without “participations”). The purchase price will be paid in full at closing. The offering price must be confirmed by appraisal, and the final purchase price will be the higher of the offering price and the appraised value. The appraised value will be determined by EDC through an independent appraisal paid for by the selected developer. Respondent's proposed purchase price for the Site should assume that the building will be sold in as-is condition. After designation, the successful respondent, at its cost, will have the opportunity to conduct environmental investigations. If the results of these tests, subject to EDC's review, are significant, a modification in the purchase price may be negotiated.

The cost for sidewalk improvements referred to in Section D above (“Design Guidelines”) will be the responsibility of the selected developer, and the cost should be taken into account in the respondent’s offering price. If, once the specifications for the sidewalk improvements are finalized, the developer’s cost estimate exceeds the amount the selected developer has budgeted as payment towards the work, EDC may, in its sole discretion, modify the final purchase price, subject to EDC’s review of the developer’s cost estimate.

B. Project Description

A detailed narrative describing relevant aspects of the project, including type and size of development, proposed uses, type and number of tenants and a list of potential and committed tenants for the proposed project along with letters of interest and/or intent from tenants. The proposed development should be sensitive to the needs of those who live and work in the community. Employment generation projections (construction and permanent jobs) must also be supplied.

C. Financial Information

Comprehensive financial data and pro forma statements for the development, including a statement of assumptions backing the calculations being made,

sources and uses of funds, construction budget defining specific hard and soft costs, and detailed description of proposed equity investment and construction and permanent financing along with letters of interest and/or intent from lenders. This data should cover 20 years of operations. In order to complete our analysis in a timely fashion, the data should be submitted on computer disk in Excel in the format of the spreadsheet attached as Exhibit 4.

D. Development Schedule

Schedule for commencement and completion of the proposed development and operation of the project. The proposed schedule will be incorporated as a covenant into the deed conveying the Site.

E. Purchaser Description

Each entity submitting a proposal must demonstrate sufficient financial resources and professional ability to develop the site in a manner consistent with its proposal. In addition, each entity must complete and submit a Vendex Name Check form, a copy of which is attached as Exhibit 5. Each proposal must include a description of the management and/or development team, including:

- 1) Name, address, telephone number and qualifications of the development team including all persons or entities intended to design, develop, manage, operate or lease space in the facility as well as the lawyer and other professionals as appropriate, who will be involved in this project. Proposers must provide the Federal EIN number of the development entity and the Social Security number of its principals.
- 2) Background information on all members of the purchaser's team, including the relevant experience of all principal members thereof and their availability for commitment to the project. This information must be submitted for every participant in a joint venture. The form and structure of any proposed partnership or joint venture must be clearly defined.
- 3) If available, the latest credit report for each of the principals and any relevant business entities and most recent financial statements for the purchasing entity and each of its principals. Certified net worth statements must be submitted for every participant in a partnership or joint venture.
- 4) All previous real estate transactions with EDC, the City of New

York or any of its affiliates must be disclosed for all business entities, officers, principal members, shareholders, directors, investors, and other parties having an interest in the purchase, management and operation of the facility.

5) Any additional documentation or information evidencing the strength of the purchaser's team and their ability to complete the project.

F. Architectural Design

Two (2) copies of the schematic drawings for the proposed development including a graphic scale.

G. Zoning Calculation

Preliminary zoning analysis showing all calculations, including proposed use groups, required and proposed parking, and identifying all required permits and authorizations.

H. Statement of Agreement

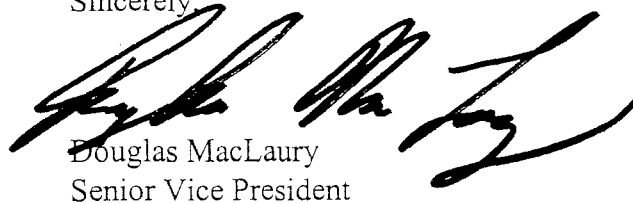
A statement signed by an authorized principal or officer of the developer that the developer has read this letter and the appended Exhibits fully and agrees to the terms and conditions set forth in this letter and the appended Exhibits.

I. Confidentiality Agreement

Each proposer must also submit with the proposal a signed "Confidentiality Agreement", annexed hereto as Exhibit 1. No proposal will be considered without the Confidentiality Agreement.

For further information regarding the proposal requirements, the Site, and/or to review EDC's File, please contact Neal Smith at (212) 312-3844. We look forward to receiving your proposal for this unique opportunity.

Sincerely,


Douglas MacLaury
Senior Vice President

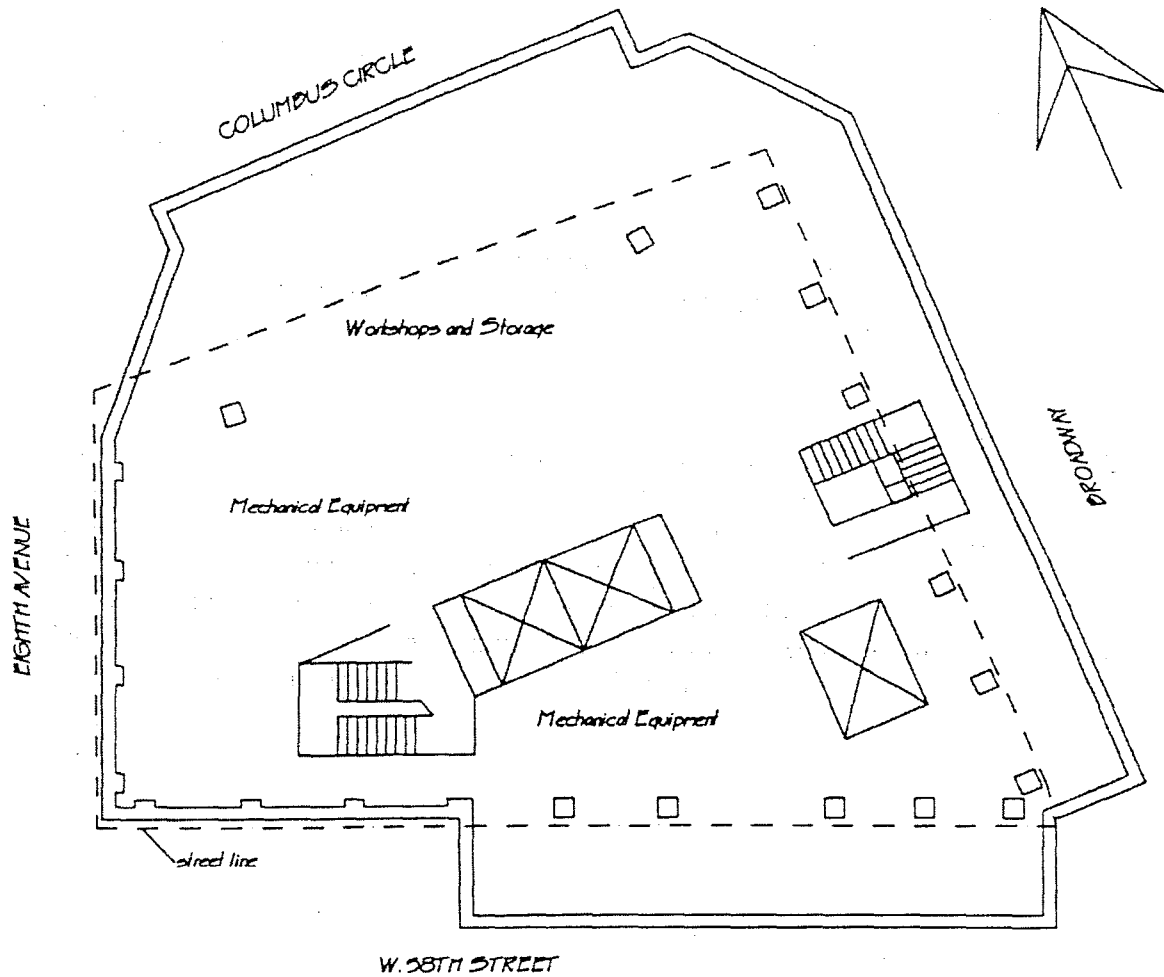
ATTACHMENTS:

- A. Schematic Floor Plans

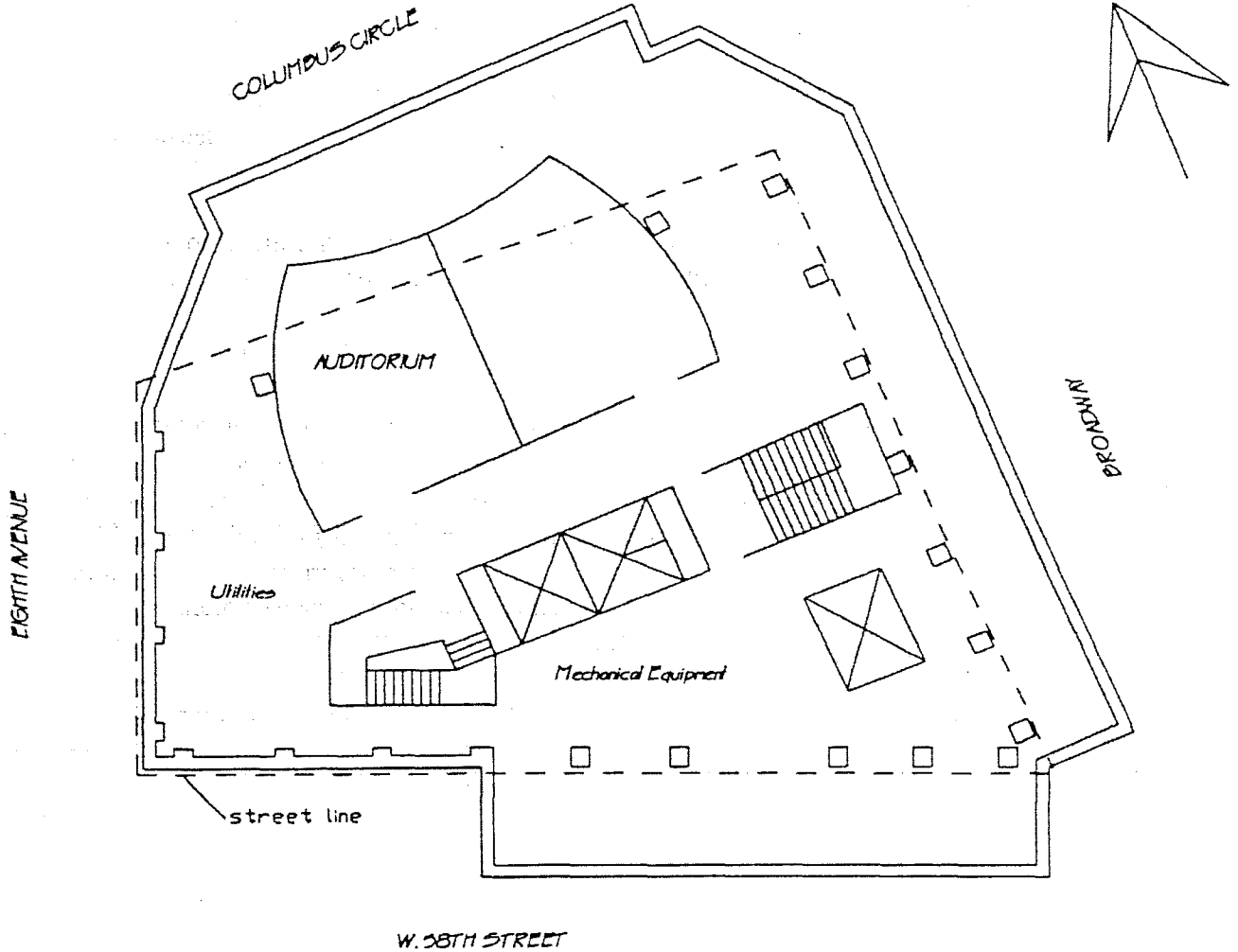
EXHIBITS:

- 1. Confidentiality Agreement
- 2. Conditions, Terms and Limitations
- 3. Administrative, ULURP and CEQR fee schedule
- 4. Spreadsheet
- 5. Vendex Name Check form

Attachment A: Schematic Floor Plans



SUB CELLAR PLAN



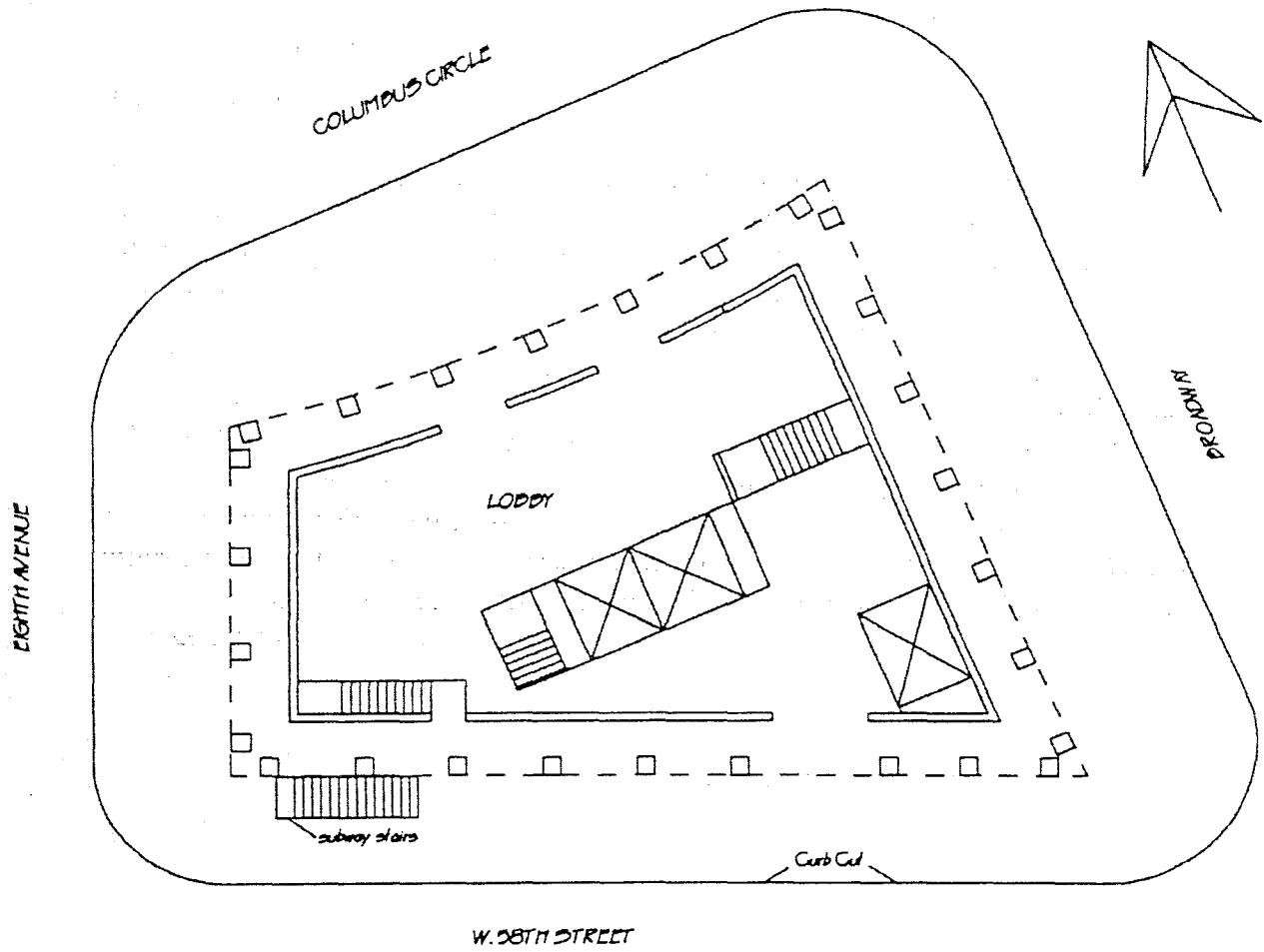
FIRST CELLAR PLAN



New York City
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Attachment A - Floor Plans

2 Columbus Circle
New York, New York

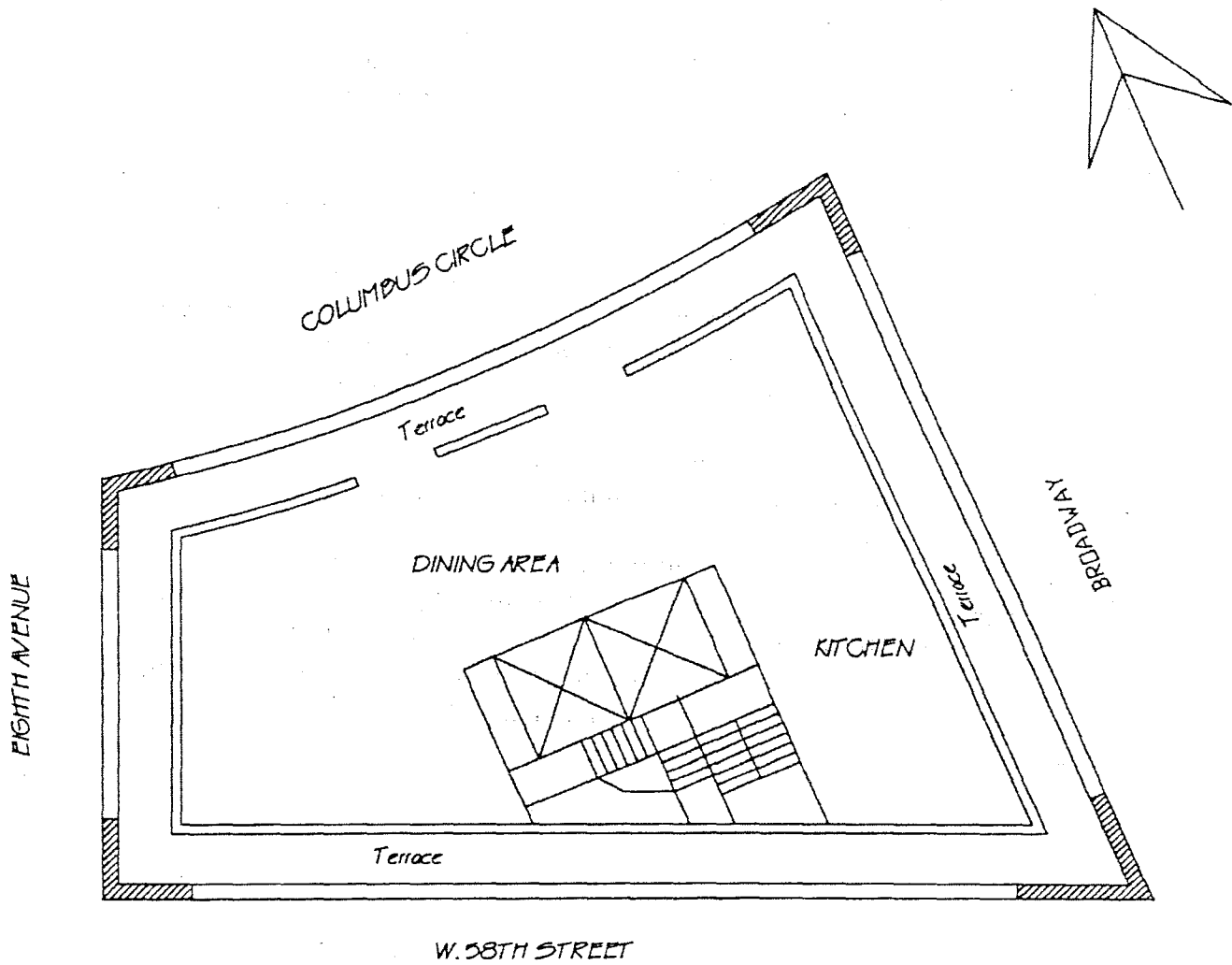


FIRST FLOOR PLAN



Attachment A - Floor Plans

2 Columbus Circle
New York, New York



NINTH FLOOR PLAN



New York City
Economic Development
Corporation

Attachment A - Floor Plans

2 Columbus Circle
New York, New York

Exhibit 1: Confidentiality Agreement

_____, 2000

New York City Economic Development Corporation
110 William Street
New York, New York 10038

Re: Confidentiality Agreement - Request for Proposals in connection with Block
1030, Lot 1, Borough of Manhattan (the "Project")

Ladies and Gentlemen:

In connection with our submission of a proposal with regard to the Project in response to the letter requesting proposals, we have been furnished certain information by New York City Economic Development Corporation ("EDC") with respect to the Project. We hereby agree to treat confidentially, in accordance with the terms and conditions of this agreement, such information and other information concerning the Project that The City of New York (the "City") and/or EDC, or their respective representatives, have or will furnish to us (such information being collectively referred to as the "Confidential Information").

We further agree that the Confidential Information has and will be used by us solely for the purpose of evaluating the Project, determining whether and on what terms we should submit a proposal in response to the letter requesting proposals, and discussions, if any, between EDC and us regarding our proposal. We further agree that we will not use the Confidential Information in any way detrimental to, or to the competitive disadvantage of, the City or EDC and that such information will be kept confidential by us and by any and all of our partners, directors, officers, officials, employees, affiliates, agents, advisors, counsel and other representatives and representatives of any of the above (all such persons and entities being collectively referred to as "Representatives") and that neither we nor our Representatives will use, publish, divulge, disclose or allow to be disclosed the Confidential Information to any person, firm or entity whatsoever unless EDC consents in writing to the disclosure of such information.

In addition, without the prior written consent of EDC, we will not, and we will direct and cause our Representatives not to, disclose to any person or entity either the fact that discussions or negotiations (if any) are taking place concerning the Project or any of the terms, conditions or other facts with respect thereto, including the status thereof or the fact that the Confidential Information has been made available to us.

We agree that all press and other inquiries concerning the Project will be referred, without further comment, to EDC. EDC will be responsible for coordinating and issuing all press,

intergovernmental and public announcements, as well as arranging all press conferences and ceremonies, unless EDC agrees otherwise in writing. On behalf of ourselves and our Representatives, we agree not to discuss any Confidential Information or negotiations concerning the Project with the press or other media without the prior written consent of EDC.

If the foregoing agreements are not complied with, EDC in its sole and absolute discretion may, as applicable, (i) withdraw our proposal from consideration in designating a developer for the Project or (ii) if we have been designated as the developer of the Project, terminate our designation and withdraw from negotiations with us regarding the Project.

We agree that, unless and until a binding disposition agreement with respect to the Project is entered into between the City or EDC and us, neither the City nor EDC nor we will be under any legal obligation of any kind whatsoever with respect to the Project or the Project's site, by virtue of this agreement.

We agree that money damages would not be a sufficient remedy for any breach of this agreement by us or our Representatives and that, in addition to all other remedies which may be available, the City or EDC shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach.

It is further understood and agreed that no failure or delay by the City or EDC in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or of any other right, power or privilege hereunder.

We hereby represent that the individual signing this letter agreement is duly authorized to execute and deliver this letter agreement on our behalf.

This agreement shall be governed by and construed in accordance with the law of the State of New York without giving effect to its conflicts of law principles or rules.

We enter into this agreement in consideration for EDC considering our response to the letter requesting proposals and understand and agree that it is a condition to EDC considering such response that we enter into and comply with this agreement.

Very truly yours,

By: _____
(Name and Title)

Exhibit 2: Conditions, Terms, and Limitations

In addition to those stated elsewhere, this letter requesting proposals and any transaction resulting from such proposals are subject to the conditions, terms and limitations stated below:

- A. This Site is to be disposed of in “as is” condition and is to be conveyed subject to all applicable title matters.
- B. The City and EDC, and their respective officers, employees, and agents, make no representation or warranty and assume no responsibility for the accuracy of the information set forth in this letter, the physical condition of the Site, the status of title thereto, its suitability for any specific use, the absence of hazardous waste, or any other matter. All due diligence is the responsibility of the respondent and respondents are urged to satisfy themselves with respect to the physical condition of the Site, the information contained herein, and all limitations or other arrangements affecting the Site. EDC will make available for review, to any respondent so requesting, public information in EDC’s files relevant to the disposition of the Site including, for example, applicable environmental reports and existing public approvals. To arrange for the review of such information at EDC’s offices, please contact the person identified in the attached letter requesting proposals. Neither EDC nor the City will be responsible for any injury or damage arising out of or occurring during any visit to the Site.
- C. The proposed development shall conform to, and be subject to, the provisions of the New York City Zoning Resolution, all other applicable laws, regulations, and ordinances of all Federal, State and City authorities having jurisdiction, and any applicable Urban Renewal Plan, design guidelines or similar development limitations, as all of the foregoing may be amended from time to time. Without limiting the foregoing, closing on a proposed transaction shall be subject to successful completion of, to the extent applicable, the City’s Uniform Land Use Review Procedure (“ULURP”), if not already completed, completion of the City Environmental Quality Review (“CEQR”), approval by the applicable Community Board, compliance with Section 384(b)(4) of the New York City Charter, and approval by EDC’s Board of Directors. ULURP and CEQR compliance, to the extent applicable, shall be solely at the expense of the developer. EDC will cooperate with the designated developer in obtaining necessary approvals.
- D. A proposer submitting a proposal in response to this letter requesting proposals may be rejected if it or, if the proposer is a business entity, any of its principal shareholders, principals, partners or members, or if any of the members of the proposer’s development team, is determined, in EDC’s sole discretion, to have been convicted of a felony or crime involving moral turpitude, to be an “organized crime figure,” to be under indictment or criminal investigation, to be in arrears or in default on any tax, debt, contract or obligation to or with the City or State of New York or otherwise to be a “prohibited

- person” as defined by the City. The proposer and, if the proposer is a business entity, all of its principal shareholders, principals, partners and members, as the case may be, and all the members of the development team and, in the case of business entities, their respective principals, must complete a background questionnaire and submit to investigation by EDC and the City’s Department of Investigation. The designation may be revoked in EDC’s sole discretion in the event any derogatory information is revealed by such investigation.
- E. Neither EDC nor the City is obligated to pay and shall not pay any costs incurred by any respondent at any time unless EDC or the City has expressly agreed to do so in writing.
- F. EDC invites the participation of real estate brokers acting on behalf of and with the authorization of identified principals, provided that the broker arranges for the payment of its commission or other compensation exclusively by the proposed developer of the premises. It shall be a condition to the designation of a developer of the Project that the developer agrees to pay any commission or other compensation due to any broker in connection with the development of the premises, and to indemnify and hold harmless EDC and the City from any obligation, liability, cost and/or expense incurred by EDC and/or the City as a result of any claim of commission or compensation brought by any broker by reason of the Project or the development of the premises. EDC warrants and represents that it has not retained any broker in connection with the proposed development of the Site.
- G. This is a letter requesting proposals, **not** a Request for Bids. EDC shall be the sole judge of each response’s conformance with the requirements of this letter and of the merits of the individual proposals. EDC reserves the right to waive any conditions or modify any provision of this letter with respect to one or more applicants, to negotiate with one or more of the applicants with respect to all or any portion of the Site, to establish additional terms and conditions, to encourage applicants to work together, or to reject any or all responses, if in its judgement it is in the best interest of EDC and the City to do so. If all proposals are rejected, this letter requesting proposals may be withdrawn and the Site may be retained, and re-offered under the same or different terms and conditions, or disposed of by another method, such as auction or negotiated disposition. EDC reserves the right to accept proposals for the development of less than all of the Site, and to accept more than one proposal for separate portions of the Site. In all cases, EDC shall be the sole judge of the acceptability of the proposals.
- H. All terms in this letter requesting proposals related to the permitted use and bulk of the Site shall be as defined in the New York City Zoning Resolution and any applicable Urban Renewal Plan, design guidelines, or similar development limitations and controls. Where any conflict arises in such terms, the most restrictive shall prevail.
- I. Except as specifically provided herein, the developer will pay all applicable taxes payable

- with respect to the project, including transfer taxes. Developer will be required to pay the New York City Real Property Transfer Tax (except to the extent the Developer is itself exempt from same, e.g., a not-for-profit corporation), notwithstanding any exemption from sale on account of the City's or EDC's involvement in the transaction.
- J. This transaction will be structured as a "net" deal to EDC, with the developer being responsible for all fees relating to the project and all costs incurred by EDC including, but not limited to, costs for outside legal counsel, if any, studies, and outside consultants.
- K. EDC is dedicated to furthering the participation of minority and women-owned businesses in its work. All respondents are urged to include in their proposals methods for facilitating the participation in the project of businesses that have been certified by the New York City Department of Business Services ("DBS") as being women-owned or minority-owned. This can take any form a respondent considers appropriate including, but not limited to, proposals intended to ensure the utilization of certified minority- and women-owned businesses as subcontractors or as joint-venture partners. Businesses that have been certified as being women- or minority-owned by the Port Authority of New York and New Jersey or the New York State Department of Economic Development may be eligible to receive expedited certification from DBS after completing the DBS "Expedited Certification Affidavit", which may be obtained by calling EDC's Contract Department at (212) 312-3969.
- L. All proposals and other materials submitted to EDC in response to this letter requesting proposals may be disclosed in accordance with the standards specified in the Freedom of Information Law, Article 6 of the Public Officers Law ("FOIL"). The entity submitting a proposal may provide in writing at the time of submission a detailed description of the specific information contained in its submission, if any, which constitutes a trade secret or would, if disclosed, harm such entity's competitive position. This characterization shall not be determinative, but EDC will use it for purposes of evaluating the applicability of any exemptions under FOIL should any request be made under FOIL to see the submission.
- M. In furtherance of EDC's mission of economic development, the disposition of the Site will be subject to EDC's standard provisions for similar transactions. The disposition documents conveying the Site to the selected developer shall contain restrictions requiring the developer to improve and use the Site in accordance with the accepted development plan and schedule. Failure to comply with these restrictions will result in a right by EDC or the City to re-enter and re-acquire the Site for no consideration.
- N. The developer will be required to deliver evidence to EDC of the creation of employment opportunities at the Site for up to eight (8) years after the project is occupied. The developer must also agree in good faith to consider any proposals made by the City or City-related entities to provide employment recruitment, referral or training assistance to

the developer or project occupants. Developers will be required to cause project occupants to agree to these provisions.

Exhibit 3: Schedule of Fees

A. CEQR APPLICATION FEES (effective Tuesday, August 1, 1995)

<u>I. PROJECTS MEASURABLE BY SQUARE FOOTAGE</u> (Square Footage of Total Project)	<u>FEE</u>
Less than 10,000 square feet	\$ 350
10,000 to 19,999 square feet	1,035
20,000 to 39,999 square feet	2,250
40,000 to 59,999 square feet	4,000
60,000 to 79,999 square feet	6,000
80,000 to 99,999 square feet	10,000
100,000 to 149,999 square feet	20,000
150,000 to 199,999 square feet	35,000
200,000 to 299,999 square feet	50,000
300,000 to 499,999 square feet	90,000
500,000 to 1,000,000 square feet	135,000
Over 1,000,000 square feet.....	\$220,000

II. PROJECTS NOT MEASURABLE BY SQUARE FOOTAGE

Ex: Bus Franchises, Renewals of Special Permits\$1,375

III. MODIFICATIONS

The fee for modification for an action, which modification is not subject to Section 197-c of the New York City Charter, shall be 20% of the amount prescribed in the schedule of charges for an initial application. The fee for any modification for an action, which modification is subject to 197-c of the New York City Charter shall be the amount set forth in the Schedule of Charges as if the Modification were an initial application for the action.

Where the fee for an application is set pursuant to the Schedule of Charges for projects measurable by square footage, and the square footage of the proposed modification is different from the square footage of the original action, the fee for an application for the modification shall be based upon the square footage of the modified action or the schedule of charges for projects not measurable by square footage as determined by the lead agency.

B. ADMINISTRATIVE FEES

Administrative fees are based on purchase price.

<u>Purchase Price</u>	<u>Administrative Fee</u>
Less than \$200,000	\$10,000
\$200,001 - \$500,000	\$20,000
\$500,001 - \$1,000,000	\$40,000
\$1,000,000 - \$5,000,000	\$50,000
More than \$5,000,000	1% of purchase price

Exhibit 4: Summary Spreadsheet

Project Name:
 Location:
 Size of Development:
 20 YEAR PROFORMA

INCOME	Operating Years 1-20	Per Sq. Ft. Stabilized Yr.
BASE RENTAL INCOME		
Tenant A		
Tenant B		
COMMON AREA MAINTENANCE		
Tenant A		
Tenant B		
REAL ESTATE TAXES		
Tenant A		
Tenant B		
TOTAL GROSS INCOME		
LESS VACANCY RESERVE		
ADJUSTED TOTAL INCOME		
EXPENSES		
COMMON AREA MAINTENANCE		
REAL ESTATE TAXES		
OTHER EXPENSES		
TOTAL OPER. EXPENSES		
NET INC. BEFORE DEBT SERV.		
DEBT SERVICE		
NET INCOME		
DEBT SERVICE COVERAGE		
CASH ON CASH		
CASH ON COST		
DEVELOPER IRR		

SOURCES AND USES OF FUNDS

SOURCES OF FUNDS

Debt 1	
Rate / Term	
Debt 2	
Rate / Term	
Equity	
TOTAL INVESTMENT	

USES OF FUNDS

Hard Cost	
Soft Cost	
Devel. Contingency	
Total Development Cost	
Land Acquisition Cost	
TOTAL COST	

PROJECT DESCRIPTION

Tenant A Square Feet:	
Tenant B Square Feet:	
Common Area Square Feet:	
Total Square Feet of Development:	
Number of Parking Spaces:	
Total Sq. Ft. Land:	

EMPLOYMENT FIGURES

Number of Direct Construction Jobs:	
Number of Indirect Construction Jobs:	
Direct Permanent Jobs (Full Time Equivalents):	
Indirect Permanent Jobs (Full Time Equivalents):	

*** Please provide detailed backup of income, expenses, and total project cost on subsequent sheets**

**NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
110 WILLIAM STREET
NEW YORK, NY 10038**

NYC EDC

**INTERNAL VENDEX
INVESTIGATION FORM**

THIS FORM IS FOR:

**Contracts over \$25,000 and under \$100,000,
Land Purchases, Leases, Licenses, and Permits**

SECTION A

The following questionnaire is to be completed by entities desiring to do business with the New York City Economic Development Corporation. This form may be duplicated for additional space.

BUSINESS NAME: _____ EIN/SSN: _____

BUSINESS ADDRESS: _____

BUSINESS TELEPHONE: () _____ City _____ State _____ Zip Code _____
 TYPE OF ORGANIZATION: _____

PRINCIPAL/ OFFICER NAME *	TITLE	HOME ADDRESS	PERCENTAGE OF OWNERSHIP	DATE OF BIRTH	SOCIAL SECURITY NUMBER
(1)					
(2)					
(3)					
(4)					
(5)					

*** DEFINITIONS:**

- A. Publicly held Corporations must provide the names of the Chief Financial Officer, Chief Operating Officer, and Chief Executive Officer or whatever titles they are known.
- B. Not-for-Profit Organizations must provide the Officers of the not-for-profit which would include any individual who serves as Chief Executive Officer, Chief Financial Officer or Chief Operating Officer, or by whatever titles known.
- C. Privately held Corporations must provide the names of an individual, partnership, joint venture or corporation which holds a 20 percent or greater ownership interest in the corporation.

SECTION A (Continued)

PLEASE COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY

PROVIDE A DETAILED RESPONSE TO ALL QUESTIONS CHECKED "YES" ON THE FOLLOWING PAGE.

NO YES

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, ever been adjudicated bankrupt or placed in receivership, filed bankruptcy, or presently the subject of any bankruptcy or similar proceedings? If yes, please explain on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, ever been the subject of any criminal investigation and/or ever been convicted of any criminal offense other than a motor vehicle violation? If yes, please explain on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, ever been a plaintiff or defendant in any civil, criminal, or administrative proceedings or the subject of any investigation by any government agency? If yes, please explain on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, ever had any contingent liabilities (i.e., pending lawsuit, federal, state, or city tax liabilities, etc.)? If yes, please explain on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, used an EIN, SSN, name, trade name, or abbreviation other than the name or number provided on page 1? If yes, please specify on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, ever been disqualified, defaulted or terminated on a permit, license, concession, franchise, lease, or other agreement with the City or any governmental agency? If yes, please explain on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. In the past 10 years, has the applicant, or any stockholders, partners, officers or directors of the applicant, or any entity with which any of the foregoing individuals have been affiliated, failed to file any required tax returns or failed to pay any applicable federal, state, or New York City taxes or other assessed New York City charges, including but not limited to water and sewer charges? If yes, please explain on the following page. |
| <input type="checkbox"/> | <input type="checkbox"/> | 8. Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business? If yes, please explain on the following page. |

Section B - for Land Purchases, Leases, Licenses and Permits:

VERIFIED STATEMENT AND TAX AFFIDAVIT

1. I make this affidavit in connection with the purchase, lease, license or permit of Block & Lot(s) _____
_____, Borough of _____
2. Neither I (including my spouse) nor any business entity with which I am affiliated, nor any subsidiary, parent or affiliate of such business entity, nor any partner(s), director(s), officer(s), or stockholder(s) with voting interest or owning a total of twenty percent (20%) or more of any of the foregoing entities, is or has been in default of any contract, lease obligation or agreement of any kind or nature whatsoever entered into with the City of New York, or any of its agencies, within the past five (5) years. Such obligations include, among other things, the obligation to pay in full all New York City property taxes and charges when due.
3. Neither I (including my spouse), nor any business entity with which I am affiliated, nor any subsidiary, parent or affiliate of such business entity, nor any partner(s), director(s), officer(s), or stockholder(s) with voting interests or owning a total of twenty percent (20%) or more of any of the foregoing entities, has been a former owner of the Property within the past five (5) years.
4. I understand that NYC Economic Development Corporation reserves the right, if an investigation establishes to its satisfaction that any of the provisions in paragraphs 2 and 3 above have been violated, to not proceed with the purchase, lease, license or permit of the Property or to declare a default under and terminate the designation letter or the contract, lease, license or permit, if executed, or to take any other action permitted under the designation letter, the contract, lease, license or permit, as applicable, or under applicable provisions of law.
5. I acknowledge and understand that the representations and statements contained herein will be relied upon by the City of New York and EDC and are an inducement to the City of New York and EDC to proceed with the sale, lease, license or permit of the Property.
6. The following, together with the attachment(s) hereto, if any, is a complete list of properties in which the undersigned has an ownership interest and which are located in the City of New York, together with a statement as to each such property of any arrears in real estate taxes, sewer rents, sewer surcharges, water rates or assessments due and owing to the City of New York.

SECTION B (Continued)

PROPERTY OWNED IN THE CITY OF NEW YORK

Boro	Block /Lot	Street Address	Date of Purchase	Amt. of Arrears	Type of Arrears
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

PROVIDE A DETAILED RESPONSE TO ALL QUESTIONS CHECKED "YES" ON THE FOLLOWING PAGE

NO YES

- 7. Are you a tenant of the City of New York? If yes, please list below; Agency, Borough, Block, Lot, Account Number, Monthly Rent, and Current Balance.**
- 8. Have you previously purchased property from the City of New York? If yes, please list below; Agency, Borough, Block, Lot, Sale Date, Parcel Number, and Closing Date.**
- 9. Do you have a mortgage with the City of New York? If yes, please list below; Agency, Boro, Block, Lot, Account Number, Principal Amount, Monthly Installment, and Current Balance.**

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE AND AFFIDAVIT MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT PROPOSAL OR FUTURE PROPOSALS AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, _____, being duly sworn, state that I have read and understand the items contained in the foregoing pages of this questionnaire and affidavit and that I supplied full, complete, and truthful answers to each item therein to the best of my knowledge, information and belief; that I will notify NYC Economic Development Corporation in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of any contract or agreement; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that NYC Economic Development Corporation will rely on the information supplied in this questionnaire and affidavit as an inducement to enter into a contract or agreement with the submitting business entity.

Sworn to before me

This Day of 19__

Notary Public

Name of Submitting Business Entity

Print Name

Title

Signature

Date