

# REQUEST FOR QUALIFICATIONS CHINATOWN/LOWER EAST SIDE ACQUISITION PROGRAM

## The City of New York Department of Housing Preservation and Development

### **Program Description:**

The purpose of the Chinatown/Lower East Side Acquisition Program is to preserve residential housing with apartments affordable to low- and moderate-income households. Pre-qualified non-profit organizations may identify privately owned small- and mid-sized residential properties in the Lower East Side/Chinatown target area affordable to low- or moderate-income households for purchase. Up to \$125,000 per dwelling unit in funding is available to fill the gap between private debt supportable by the project and the acquisition cost. Following acquisition, the non-profit shall own and operate the property in good condition, maintain affordability, and adhere to rent regulation laws.

### **Pre-Qualification:**

Non-profit organizations may respond to this RFQ in order to become pre-qualified for participation in the program. To be considered for pre-qualification, applicants must meet the following criteria:

Non-profit status: Participation is restricted to non-profit property managers and developers, or owners controlled by non-profit entities, with prior experience owning and managing affordable housing.

Ownership Experience: Demonstrated experience owning multifamily housing within the last ten years.

Management Experience: Demonstrated experience managing all aspects of low-income multifamily housing within the last ten years.

Rehabilitation Experience: Demonstrated experience rehabilitating multifamily housing within the past ten years.

Financial Strength & Stability: The applicant must submit its most recent audited financial statements, demonstrating solvency.

### **Eligible Properties:**

Properties eligible for acquisition under this program must be privately owned and consist of approximately 15 – 40 units. They must be located within the Chinatown/Lower East Side target area, which is generally bounded by Houston Street to the north; FDR Drive to the east; FDR Drive/South Street and the Brooklyn Bridge Approach to the south; and Broadway to the west. (Boundary map is available at the website listed below). Eligible buildings must have average rents affordable to households earning no more than 80 percent of the Area Median Income (AMI).

Following acquisition, the nonprofit organization must maintain the affordability of the units by adhering to rent regulation laws, filling vacancies only with tenants whose incomes do not exceed 80% of AMI, and setting rents at affordable levels, for at least 30 years after acquisition. To be affordable, apartment rents must be limited to 30% of 80% of AMI, as adjusted for household size. Additionally, the non-profit will be responsible for curing housing code violations or arranging for building rehabilitation if necessary.

### **Building Proposals:**

Pre-qualified nonprofit organizations may submit proposals to request acquisition funding for eligible residential buildings. Building acquisition proposals must demonstrate financial feasibility in accordance with underwriting criteria established by HPD. Building proposals will be evaluated and funded on a “first-come, first-served basis” for the duration of the program. Building proposals from organizations on HPD’s “Pre-Qualified Owner List” will be assessed on both the viability of the project and strength of the applicant’s experience. HPD may consider such factors that it deems appropriate in its sole discretion, and may decide at any time not to approve an organization for a project notwithstanding that such organization is on the Pre-Qualified Owner List.

Non-profit organizations are required to maximize private acquisition financing supportable within the rent and affordability guidelines contained in this RFQ. If a proposal meets program criteria, HPD may award funding not to exceed \$125,000 per dwelling unit for acquisition purposes only to fill any gap between supportable private financing and the acquisition cost.

### **Tenant and Owner Notifications:**

All non-profit organizations entering into negotiations with building owners must comply with tenant and owner notification procedures in accordance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as a condition of obtaining acquisition subsidy. Information about these notification requirements will be provided to pre-qualified non-profits.

Selection of an applicant means only that HPD has determined that such applicant meets the requirements to be placed on the Pre-Qualified Owner List and will not create any rights on the applicant’s part including, without limitation, the right to be selected for an acquisition grant or any rights of enforcement, equity, or reimbursement. The City is not obligated to pay nor shall in fact pay any costs or losses incurred by any applicant at any time, including the cost of responding to this advertisement or

costs associated with preparing property proposals or acquiring property. The City reserves the right to accept or reject any or all applications received as a result of this advertisement, or postpone or cancel this request to pre-qualify non-profit organizations, or to place entities on the Pre-Qualified Owner List that have not responded to this advertisement. The City likewise reserves the right, at any time, to change any of the terms of conditions of this advertisement with or without notice and to entertain modifications and additions to the applications submitted in response to this advertisement. This advertisement and any agreement or other documents resulting therefrom are subject to all applicable laws, rules and regulations promulgated by any federal, state or municipal authority having jurisdiction over the subject matter thereof, as the same may be amended from time to time.

This Request for Qualifications (RFQ), the Notice of Funding Availability (NOFA), map of the program area, and more information about the program are available on HPD's website:  
[www.nyc.gov/hpd](http://www.nyc.gov/hpd)

Interested parties should forward all requested documentation to the Department of Housing Preservation and Development; Attention of Joan Wan, 100 Gold Street—Room 9-O6, New York, NY 10038; or electronically to [JBW@hpd.nyc.gov](mailto:JBW@hpd.nyc.gov)

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George Pataki, Governor  
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Kevin Rampe, LMDC Chairman

