388 Hudson Street RFP Addendum

RFP Issue Date: February 14, 2025

Pre-submission Conference Date: March 11, 2025

Addendum 1 Issue Date: April 4, 2025

Addendum 2 Issue Date: May 2, 2025

Submission Due Date: May 23, 2025

Contents of Addendum 2

A. Submission Instructions

- Intent to Submit
- File Format
- Asset Statements

B. Questions and Answers

Enclosed are questions and answers that were sent to the RFP email address through April 25, 2025.

C. Update to RFP Section IV. Selection Process – B. Review Criteria

Page 20 of the RFP.

A. Submission Instructions

Intent to Submit

If you intend to submit a Proposal, please notify us at 388HudsonRFP@hpd.nyc.gov by May 9, 2025. Teams must notify us to receive a secure upload link to submit their Proposal. The email should include:

- The development entities involved.
- Who the main point of contact will be.
- Who to cc in all email communications (optional).

File Format

- HPD will be accepting electronic Submissions only for this RFP. Electronic signatures may be used.
- Please note that the upload site does not support uploading of folders. Respondents should submit the complete Submission in one PDF file and separate PDF files for each tab as well.
- All PDFs must be searchable. For each file that will be submitted, kindly use the following file name convention when possible: **Lead Development Team Member_Tab X.pdf**. Please limit file names to no more than 20 characters.

Asset Statements

If you do not wish to upload the Principals' asset statements using the secure upload link, you may mail a physical copy to the address below. If you choose to mail you asset statements, please provide an expected delivery date and carrier tracking number to the RFP email address.

ATTN: Tyler Tichenor
HPD Office of Neighborhood Strategies
100 Gold Street, 9-X67C
New York, NY 10038

B. Questions and Answers

General

1. **Will an access agreement on the Lot 45.2 be possible and Lot 54, for overhead protection during construction?**

   The Developer will be responsible for pursuing and obtaining all necessary access agreements to comply with construction safety requirements.

2. **Does HPD have a policy on attendees using read.ai meeting notes?**

   We ask that attendees of the Pre-Submission Conference do not use external ai tools including but not limited to read.ai, otter.ai, fireflies.ai, and Microsoft Copilot to record the meeting or transcribe notes. Any answers provided during the conference are preliminary guidance and subject to refinement and adjustment. Final official answers to all questions asked during the conference will be published in an RFP addendum. Please send any reasonable accommodation requests to 388HudsonRFP@hpd.nyc.gov.

3. **The north-arrow direction on Site Survey doesn't match satellite map or NYC 3D model; please advise whether it's an error.**

   Respondents should disregard the north arrow in Appendix G Site Survey and Appendix I Buildable Site Area Plan.

4. **What kind of remediation has the city conducted on this site?**

   All available information has been provided in the RFP and appendices.

5. **Does HPD have any historical data on the site?**

   All available information has been provided in the RFP and appendices.

Zoning, Land Use, and Development Rights

6. **What is the anticipated Zoning Lot? Should we assume the Zoning Lot includes the entirety of Lot 45 (shown as lot 45.1 and 45.2 in the survey), since the building on the 13,622 square foot Site will receive a 20 foot light and air easement over the non-Site portion of Lot 45, in addition to the "transfer of development rights from the portion of Lot 45? Will the zoning lot include Lot 54 with the school building and additional portions of the surrounding neighborhood?**

   For the purposes of this Request, Respondents may assume the creation of a zoning lot that facilitates the Project contemplated in the Project Snapshot of the RFP. An appropriate zoning lot will be agreed upon after designation of a Developer and ahead of the public approval process.

7. **Please confirm that the optional 30 foot light and air easement over Lot 54 is for required light and air and, as required by the Zoning Resolution and the Multiple Dwelling Law (as interpreted by the Department of Buildings), the Zoning Lot should also include Lot 54.**

   Respondents should assume a 30-foot-deep light and air easement extending from the eastern Site boundary over the adjacent lot (Block 581, Lot 54), which will start at the height of the adjacent school building (approximately 90 feet above the Site grade) and continue upward. There will be no light and air easement below the height of the adjacent school building.

   For the purposes of this Request, Respondents may assume the creation of a zoning lot that facilitates the Project contemplated in the Project Snapshot of the RFP. An appropriate zoning lot will be agreed upon after designation and ahead of the public approval process.

8. **As the 10' setback from Clarkson St. and the 8' setback from Hudson Street don't match current zoning setback requirements (15' at narrow streets and 10' at wide streets) should it be assumed that a zoning text amendment or Special Permit will be created as part of the ULURP to allow these setbacks? Can the RFP respondent propose other text amendments?**

   For the purposes of this RFP, Respondents should comply with the bulk regulations provided in the Project Snapshot of the RFP. A proposed zoning district will be agreed upon after designation and ahead of the public approvals process. Respondents are not required to refer to or propose a specific zoning district.

   For the purposes of this Request, Respondents should not propose additional text amendments or land use actions. Please refer to the Government Approvals in the Project Snapshot of the RFP.

9. **The RFP states that the respondents should assume mapping of a zoning district that allows a mix of residential, community facility, commercial, and light manufacturing uses. Since the site will only contain resident use and the City Unit use, what is the reason for rezoning the site to a light manufacturing use?**

   Respondents may assume that the rezoning area will go beyond the Site boundaries and include the entire Lot at minimum. A rezoning of the Lot is anticipated to allow flexibility for various uses to accommodate the potential future needs of HPD, Parks, and DEP.

10. **For the purposes of preparing the required zoning analysis for the submission can HPD indicate the proposed amount of floor area to be transferred from lot 45.2?**

For the purposes of this RFP, Respondents should assume an available total of 254,632 Zoning Square Feet. Respondents should provide a zoning analysis based on the zoning, development rights, and bulk regulations guidance provided in the Project Snapshot of the RFP.

11. **The DEP Letter of September 18, 2023 to HPD states that its review pertains to block 581 tax lot 45 and refers to two documents (230511_DEP_Tower Studies; and Survey_Lot Division). Can you provide these documents to us?**

    All available information has been provided in the RFP and appendices. The document Survey_Lot Division has been provided in Appendix G Site Survey.

12. **Since at the time the DEP letter was written and as of today, tax lot 45 comprises the entirety of the Hudson Street frontage between Clarkson and West Houston Streets, can DEP clarify that the 10' foot buffer area at the "southern property boundary" is referring to a point that BEGINS 91.17' to the NORTH of West Houston Street?**

    The location of the 10-foot buffer, where no drilling, excavation, or structure will be allowed, begins at the southern Site boundary, which is approximately 91.17' north of the southern Lot line of tax lot 45. Please refer to Appendix I Buildable Site Area Plan for an illustrative diagram of the 10-foot buffer area.

13. **We understand that no weight should be placed on the soil in the "10-foot buffer area", however, is there any reason that DEP would need to restrict a non-bearing cantilever above a certain floor (for example to allow DEP access, so a cantilever above the 3rd floor would be permitted?). We see in the answer to April 4th Question # 35 that building projections are permitted over the 10' buffer area and want to confirm that this includes cantilevers.**

    Projections, including cantilevered portions of the building, will be permitted within the 10-foot buffer at any height above the Site grade so long as any maintenance requirements would not encroach beyond the Site area.

14. **Is DEP proposing an easement restriction on this buffer area? If so, can you share a draft of the proposed easement?**

    The appropriate mechanisms and documentation related to the restrictions within the 10-foot buffer area will be agreed upon after designation of a Developer.

15. **Can Developer request a zoning text amendment, or special permit to allow more latitude in the design and to improve the floor plates for better housing? We see there is a notation at RFP page 10 that one of the discretionary approvals is for a zoning text amendment, might that be to amend ZR 74-75 to enable the above?**

For the purposes of this Request, Development Teams should adhere to the requirements of the Project Snapshot in the RFP for assumed development rights and bulk regulations. A proposed zoning district will be agreed upon after designation and ahead of the public approvals process.

16. **The school on tax lot 54 is underbuilt under current zoning. Is that lot proposed to be included in the zoning map amendment and if so would the City consider allowing the transfer of its excess floor area development rights to the project to allow for a better building with more housing or a larger recreational center?**

    For the purposes of this Request, Development Teams should adhere to the requirements of the Project Snapshot of the RFP for assumed development rights and bulk regulations.

17. **Please confirm that the 20' light and air easement begins at a point that is 91.17 feet north of the West Houston Street Property line of Lot 45.2 (as shown on the Survey) and continues from that point 20' SOUTH, and therefor is an easement for light and air benefitting the Project and not the open space?**

    Yes. For the purposes of this Request, Respondents should assume a 20-foot-deep light and air easement extending from the southern Site boundary over the southern portion of the Lot. The Site boundary is located at approximately 91.17' north of the southern Lot line near West Houston Street as shown in Appendix G Site Survey.

Residential Program

18. **Can supportive units be concentrated in one area of the building (for example closer to the social service offices spaces) or do they have to be evenly distributed though out the building?**

    Supportive units must be evenly distributed throughout the residential portion of the building.

Design

19. **Will the following elements be permitted to be constructed in the 10' buffer zone: horizontal paving/slab, concrete curb (requires roughly 18" of excavation), fence post footings (will need to be min. 4' below grade for frost line)?**

    No drilling, excavation, or structure will be allowed within the 10-foot buffer. Please refer to the DEP Variance Guidance Letter (Appendix H). Respondents may propose surface level programming within the 10-foot buffer.

20. **Is grade elevation information available that indicates the site's elevation above NAVD 88 (or some other established datum)?**

    All available information has been provided in the RFP and appendices.

21. **Could you please clarify whether maintaining the same scale for elevation drawings, section drawings, and floor plans is a strict requirement, or if there is flexibility to adjust the scale of the elevations and sections in order to ensure all drawings remain legible and appropriately sized for the specified sheet format?**

    Respondents may provide drawings and plans at different scales, but they should be clearly dimensioned.

22. **Please advise the distance from the existing school building to the eastern Site Boundary/Lot line. If the existing school building indeed butts against the Lot line as shown on Site Survey, is there any information pertaining to its foundation; otherwise, could we assume the cellar may occupy the full extent of Buildable Site Area for the time being? What is the depth of the cellar of the school?**

    All available information has been provided in the RFP and appendices. For the purposes of this Request, Respondents may assume that the cellar may occupy the full extent of the Buildable Site Area as described in the RFP and shown in Appendix I Buildable Site Area Plan.

23. **The RFP is pretty clear in that it asks for the full separation of building systems, utilities and similar between the residential portion of the project and the recreational center. However, we find doing so forgoes the potential to unlock numerous synergies between the program areas vis-à-vis energy recovery/sharing or similar that can mutually benefit both users. Must this separation absolutely be maintained or if we can present a business case for such, might this be reconsidered?**

    The City Unit/Recreation Center should be an independent operating unit from the residential component of the Project and is required to have independent circulation and utility systems as well as separate metering for all utilities. While it is ideal for Parks to have its own, separate back-of-house spaces, Respondents may propose limited, shared back-of-house spaces that house separate systems. If shared back-of-house spaces are proposed, Respondents should explain the reasoning and benefits in the design narrative. Please refer to Appendix F Rec Center Design Guidelines.

    If shared spaces are proposed, it would require access agreements through those shared spaces, and the City would need to have 24/7 access to the shared spaces in the case of an emergency.

24. **Would HPD allow for shared secondary means of egress for the residential/rec center?**

    If appropriate measures regarding access, safety, and security are in place, partially shared egress can be acceptable on a case-by-case basis. Respondents should provide an explanation of the rationale and benefits of such a design in the design narrative.

Hudson-Houston Plaza / Future Open Space

25. **Will there be a fence constructed along the north property line of Lot 45.2 (as shown in the survey) as part of the open space fit-out?**

    NYC Parks, NYC DEP, and the Hudson Square BID (HSBID) have jointly unveiled the schematic design for the Hudson-Houston Plaza, which has been approved by the PDC. Refer to this link to access the public presentation for the preliminary design that was presented to the PDC. The final schematic design, along with project information and updates on timeline, is available on NYC Parks' Capital Tracker webpage. Please also refer to HSBID's press release announcing the design.

    The schematic design for the Hudson-Houston Plaza includes the retention of the existing chain link fence along the perimeter of Lot 45.2, including along the boundary between Lot 45.1 and Lot 45.2.

    The design of the Hudson-Houston Plaza has been approved by the PDC and changes to this design are outside the scope of this Request. Respondents should develop a site plan that accounts for and responds to the PDC approved design for the Hudson-Houston Plaza. HPD, DEP, and Parks are open to receiving Submissions that aim to integrate the Site with Hudson-Houston Plaza, including proposed removal of the existing fence on the Site boundary. Any proposed integration of the Plaza with the Site will require approval by DEP, HPD, and Parks after designation of a Development Team. Please note that the separate main entrances to the Recreation Center and residential lobby are required to be from the public street and not through Hudson-Houston Plaza, which is DEP property.

26. **What are the approximate depths below grade of the DEP infrastructure on Lot 45.2? Can DEP provide a diagram indicating where the water tunnel and shaft are located?**

    We are not able to provide any additional information about the DEP infrastructure for the purposes of this RFP.

Finance

27. **Should we be underwriting to the 2024 HUD AMIs per the schedule in Form G-1 or the new 2025 guidelines?**

    For the purposes of this RFP, Respondents should continue to use the 2024 HUD AMIs as provided in Forms G-1 and G-2 for their financial proposals.

28. **If we are including 15/15 units within the project, what AMI band should they be underwritten at?**

For the purposes of this RFP Respondents should assume 15/15 units will be underwritten using the published 15/15 rent schedule, which is considered to be equivalent to the 60% AMI band.

29. **The Mix and Match term sheet notes that unit distribution is subject to HPD approval. If the project deviates from a proportionate distribution of bedroom types across AMI bands, is that acceptable if we provide justification for the proposed bedroom mix?**

    HPD-HDC Term Sheets include suggested unit type distributions. If Proposals deviate significantly from the suggestion of the selected term sheet program, Respondents should provide justification in the narrative.

30. **When calculating the equity requirement for a Mix and Match project, we understand that for every 5% of AMI above 60% AMI, an additional amount of equity is required. If the average AMI is, for example, 63%, would that round up to 65% for this calculation? Or can we assume a sliding scale/proportionate approach without rounding?**

    For the purposes of this Request, Respondents may assume a sliding scale, or proportionate approach, when calculating the required Developer's equity based on the weighted average residential rent for the Mix and Match term sheet program.

31. **Can you please confirm that respondents should assume that Reso A is the only city subsidy available to pay for the core and shell and fit out of the recreation center?**

    Financial proposals should assume City Capital sources separate from the HPD-HDC term sheet subsidy to fund the core and shell development of the City Unit and the fit-out development of the Recreation Center. This may include Reso A funding but also additional City Capital sources to be provided by Parks.

32. **For the recreation center fit out sources and uses portion, can HPD and Parks confirm that this will only reflect the TDC for fitout and will not take into account any permanent operations, i.e. ongoing interest, operating expenses, expected revenue?**

    The sources and uses for the fit-out development of the Recreation Center should not include ongoing operations, operating expenses, or expected revenue.

    For the purposes of this Request, Respondents should assume that the Project will be responsible for carrying any debt or interest associated with City Capital subsidy provided to fund the development of the core and shell development of the City Unit component of the Project, even after conveyance of the City Unit condo to the City. Respondents do not need to assume that the Project will be responsible for carrying any debt or interest associated with City Capital provided to fund the fit-out development of

the Rec Center, which will be constructed by the Developer through a separate contract directly with NYC Parks.

33. **Please confirm that HPD is expecting that the total development costs (column D in development budget) be the sum of Residential (column H in the development budget) and Rec Center Core and Shell (column I in development budget) expense? Thereby leaving the Fit out (column J) of the total calculation?**

    Columns H, I, and J should be summed in the total development costs calculations of column D in the development budget. Respondents must show the funding sources attributable to each component of the Project.

34. **Should we include a financing LOI for the LOC Bank if we are assuming Tax Exempt Bond financing?**

    Financing letters of interest should be provided for all private financing sources. If HDC bond financing is proposed, a letter of interest from HDC is not required.

35. **Will the Parks Department City Capital be structured as a loan to the development team?**

    For the purposes of this Request, Respondents should assume that the Project will be responsible for carrying any debt or interest associated with City Capital subsidy provided to fund the development of the core and shell development of the City Unit component of the Project, even after conveyance of the City Unit condo to the City.

    Parks will provide City Capital funding to the Developer to fund the fit-out development of the Rec Center, which will be constructed by the Developer through a separate contract directly with NYC Parks. City Capital funding for fit-out development will not be structured as a loan.

Recreation Center General

36. **Does the Pool Consultant for the Rec Center need to be on-board for the RFP submission as part of the team?**

    Yes, per RFP Section V. Submission Requirements and Competitive Preferences, the Development Team must include a pool designer.

37. **The RFP says that Parks department will review drawings at 30%, 50%, 80% and 100% design milestones. Does this apply to both the 1) Design Development and 2) Construction Drawings Phases?**

    The 30%, 50%, 80% and 100% milestone reviews span Design Development and Construction Drawing phases. For context, 30% and 50% fall within Design

Development phase and 80% and 100% milestones fall within Construction Documentation phase.

38. **The RFP states that the Parks needs to review and approve design development before disposition of the site, and since disposition would be concurrent with construction finance closing of the residential portion, is the assumption that the construction documents phase of the recreation center (interior fit out) will be done concurrently with the Residential Project's construction timeline?**

    Prior to disposition, the Developer must submit a complete set of Design Development documents and specifications to Parks for review and approval. Construction documents phase of the recreation center can be done prior to or concurrently with the Residential Project's construction timeline.

    The Recreation Center should be delivered as soon as feasible, in an expeditious manner. While fit-out of the Recreation Center will be developed through a separate contract with Parks, we are looking for a seamless and efficient delivery of the mixed used Project. Respondents should propose a realistic and feasible schedule. For purposes of this RFP, Respondents may propose fit-out development of the Recreation Center to be concurrent with the development of the other components.

39. **Does the fit-out scope for the recreation center include everything the space will need including movable equipment, such as exercise equipment, computers, furniture, etc.? Are there specific items we should not include in the fit-out costs that Parks will supply separately?**

    Under the separate Parks contract, the Developer will fit out and furnish the entire Rec Center; design documents are eventually expected to include layouts for exercise spaces and staff offices; access to power and internet connections are expected to align with these designs and should be planned together. The fit-out and construction of the Rec Center, including fit-out of pool basin, bringing in and installing pool mechanical equipment, installing public artwork, and overall Rec Center furnishings (e.g.: exercise equipment, computers, furniture, etc.), will be conducted under this separate contract with Parks. Upon completion of this contract, the Rec Center should be ready to operate. The Developer will seek Parks' approval on all systems and fixtures before purchasing.

Recreation Center Design

40. **The RFP states that the "fit-out development of the Recreation Center must, at minimum, comply with the baseline requirement of LL51 as LEED v4 Gold." Does this mean compliance with only the baseline requirements of LEED v4 Gold, or does it require adherence to all LL51 requirements?**

    The Recreation Center must comply with all the requirements of Local Law 51, including but not limited to meeting LEED v4 Gold.

41. Where Exhibit E refers to “140 two-tier” lockers in both the pool locker rooms and gym locker rooms, is this intended to mean 280 total lockers per room or 140 total per room (70 two-tier sets)?

Pool locker rooms and gym locker rooms should have a total of 140 lockers per room comprised of 70 two-tier sets.

C. Update to RFP Section IV. Selection Process – B. Review Criteria

Page 20 of the RFP.

LEGEND
Updated language
~~Removed language~~

Competitive Review Phase I

Competitive Criteria	Weight
Development Team Experience and Capacity	25% ~~30%~~
Development Program and Community Development	37.5% ~~35%~~
Design and Performance	37.5% ~~35%~~