



New York City Housing Authority Request for Expressions of Interest

PACT Citywide Clusters

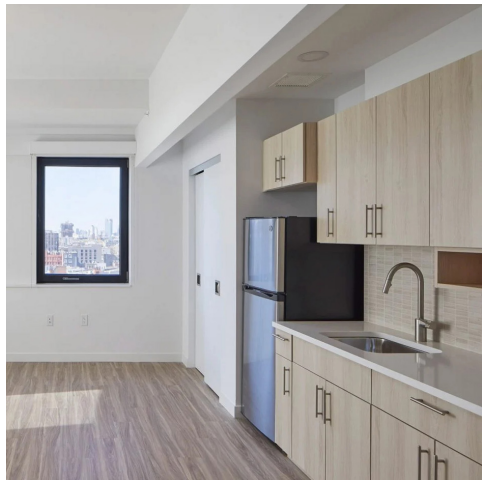
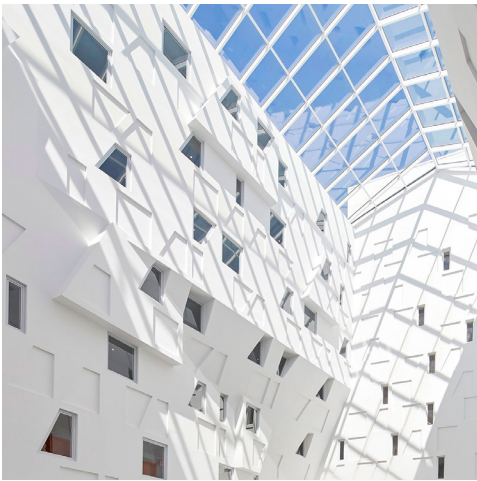
EVENT	DATE	TIME
RFEI Release	December 23, 2025	
Pre-Submission Conference	January 13, 2026	10am
Questions Due	January 23, 2026	5pm
Preliminary Proposals Due	April 10, 2026	5pm
Finalist Applicants Notified	TBD	
Complete Proposals Due (Final Applicants Only)	TBD	

RFEI updated April 1, 2026, per changes described in Addendum #2 and Addendum #3.

Questions should be submitted
by January 23, 2026, via email to
PACT.Partners@nycha.nyc.gov

Jamie Rubin
NYCHA Board Chair

Lisa Bova-Hiatt
NYCHA CEO



REAL ESTATE DEVELOPMENT
REINVEST - RESTORE - REBUILD

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EXHIBITS LIST

- Exhibit A** – Property Profiles
- Exhibit B** – 2023 Physical Needs Assessment Costed Action Report
- Exhibit C** – Management Questionnaire
- Exhibit D** – Housing Stability and Retention Guidance
- Exhibit E** – Applicant Forms
- Exhibit F** – NYC RAD Roundtable Guiding Principles
- Exhibit G** – PACT Grievance Procedures
- Exhibit H** – Insurance Requirements Guide
- Exhibit I** – Community Engagement Requirements
- Exhibit J** – Social Service Requirements
- Exhibit K** – Asset Management and Construction Reporting Requirements
- Exhibit L** – HDC Eviction Rate Questionnaire
- Exhibit M** – Section 3 and Resident Economic Opportunity Plan
- Exhibit N** – PACT Design and Construction Requirements

Exhibits to be issued later to Finalist Applicants:

- Exhibit O** – Resident Priorities
- Exhibit P** – Existing Conditions Reports
- Exhibit Q** – Basis of Design
- Exhibit R** – Rehabilitation Scope of Work
- Exhibit S** – Underwriting Guidelines
- Exhibit T** – Underwriting Templates

I. INTRODUCTION

The New York City Housing Authority (“**NYCHA**” or the “**Authority**”) is excited to announce that twenty-seven (27) NYCHA developments (collectively, the “**Properties**”, individually a “**Property**”) located across the city will be included in the *Permanent Affordability Commitment Together* (“**PACT**”) program, which will convert the Properties to Section 8 funding, providing comprehensive repairs and/or new construction and redevelopment opportunities, new property management, and enhanced social services, while preserving resident rights and maintaining permanent affordability.

The Properties included in this Request for Expressions of Interest (“**RFEI**”) are separated into three (3) clusters: a Staten Island and Queens Cluster (“**Cluster A**”); a Brooklyn and Bronx Cluster (“**Cluster B**”); and a Manhattan Cluster (“**Cluster C**”) (each a “**Cluster**”, and collectively, the “**Clusters**”). Each Cluster may contain one (1) or more Projects (as defined below). Properties within each Cluster have been grouped into potential Projects by NYCHA based on location for the purposes of this RFEI.

NYCHA is seeking proposals (the “**Proposal(s)**”) in response to this RFEI from developers (the “**Applicant(s)**”) for the planning and implementation of the Projects. This RFEI is intended to describe the selection process and outline key expectations for the Projects, resulting in the selection of a lead developer (the “**Prime Developer**”) and the Prime Developer’s Project Team, as defined below, for each Cluster. Applicants must submit a Proposal for the entirety of one (1) or more Cluster(s).

Each Project Team will consist of a Prime Developer to lead all Projects within a Cluster through predevelopment, Section 8 conversion, and rehabilitation or redevelopment construction processes, as well as additional developers, property managers, and other project partners for each of the Projects within a Cluster (the “**Project Team(s)**”). The Project Team for each Project within a Cluster may vary. NYCHA is seeking highly-qualified development entities with demonstrated success completing large-scale rehabilitation and/or redevelopment efforts, in order to efficiently and cost-effectively improve housing conditions for residents, to serve as Prime Developer. The Prime Developer will have ultimate responsibility for the Project(s) and will serve as the primary point of contact between the Project Team and NYCHA.

The Properties included in this RFEI were prioritized for the PACT Program due to significant building issues, hazardous conditions, and insufficient property management. The Properties are in need of repair or redevelopment, and improved operations. Applicants must plan for temporary moves for **100% of households** at all Properties during any rehabilitation. All Properties within a Cluster must convert to Section 8 one (1) year after designation, and construction must begin at all Cluster developments within the same 6-month period. Therefore, Applicants will be required to undertake Projects within a Cluster simultaneously and expeditiously.

Applicants responding to this RFEI must submit a competitive proposal (the “**Preliminary Proposal**”) for one or more Cluster(s) that responds to the RFEI requirements. Based on review of the Preliminary Proposals, a select group of Applicants (the “**Finalist Applicant(s)**”) will be

invited to further develop and submit their Preliminary Proposals (as further developed and submitted, the “**Complete Proposal(s)**”), including a plan for redevelopment and/or capital improvements (the “**Redevelopment Plan**” and “**Rehabilitation Scope of Work**”) that aligns with those described in the provided existing conditions and design documents (the “**Existing Conditions Report(s)**” and the “**Basis of Design(s)**”), and including a financing plan that maximizes funding sources and minimizes or eliminates the need for subsidy (the “**Financial Proposal(s)**”). Existing Conditions Reports, Basis of Design documents, and “**Underwriting Template**” (as such terms may be further defined herein) (among other documents) will be provided to Finalist Applicants. The Complete Proposals that achieve the baseline requirements and additional “betterments” outlined in the Basis of Design while maintaining a competitive Financial Proposal will be scored favorably.

Proposals will be due by the stated deadlines on the first page of this RFEI. The Submission Requirements, as set forth in Section IV of this RFEI, have been established to ensure that Applicants can prepare competitive Preliminary Proposals in a relatively short amount of time.

A. Eligibility

Applicants must be Pre-Qualified prior to submission to this RFEI. In order to become Pre-Qualified, developers should follow NYCHA’s Pre-Qualified Partner Request for Qualifications process. On October 7, 2025, NYCHA released a Request for Qualifications (the “**RFQ**”) for Developers, Property Managers, General Contractors, and Social Service Providers (as defined in the RFQ) to pre-qualify entities to partner with NYCHA in converting and rehabbing NYCHA public housing units through the PACT program (collectively, “**Pre-Qualified Partners**”).

Prime Developer Applicants must be a Pre-Qualified Partner and demonstrate experience having successfully completed large-scale rehabilitation and/or new construction projects of at least 1,500 units within a single project or transaction. Project Teams must include at least one Pre-Qualified Partner in each category of Developer, General Contractor, and Property Manager. In the event that a Project Team includes multiple Developer entities, all Developer entities must be Pre-Qualified. Teams may include non-Pre-Qualified General Contractors and Property Managers, although NYCHA may request asset statements and other materials at its discretion.

The process has been updated so that once entities become Pre-Qualified, those entities are required to update forms on a three-year cycle. An entity’s pre-qualification status is viewable on NYCHA’s list of Pre-Qualified Partners (the “**Pre-Qualified Partner List**”), based on responses to the RFQ. The list will be regularly updated. To become Pre-Qualified, new entities must submit materials in order to be Pre-Qualified at least 4 weeks before this RFEI is due, or by February 10, 2026.

The published Pre-Qualified Partner List can be found on NYCHA’s PACT Website: <https://www.nyc.gov/site/nycha/about/pact/procurement.page>.

II. PROJECT SUMMARY

This RFEI covers twenty-seven (27) Properties as listed below. The Properties are grouped into three (3) Clusters: **Cluster A** includes six (6) Properties located in Staten Island and Queens; **Cluster B** includes eleven (11) Properties located in Brooklyn and the Bronx; and **Cluster C** includes ten (10) Properties located in Manhattan, for a total of 5,266 units. Each Cluster contains one (1) or more Projects. The Prime Developer will be the lead developer for the Cluster, including all of the Projects in that Cluster. The Projects have been initially arranged by NYCHA based on location. NYCHA and HDC anticipate conversion of the units at the Properties to Section 8 through a combination of HUD's RAD and Section 18 programs as further described below.

A. Cluster Descriptions

Cluster A – Staten Island and Queens

Project	Property	Units	Buildings	NYCHA 2023 PNA (20-Year)
Baisley Park Consolidated	Baisley Park	386	5	\$203,740,183
	Conlon LIHFE Tower	216	1	\$71,920,936
	International Tower	159	1	\$58,145,942
	Shelton House	155	1	\$56,907,239
Stapleton and New Lane Area	New Lane Area	277	1	\$98,171,967
	Stapleton	693	6	\$451,039,284
Total		1,886	15	\$939,925,551

Cluster B – Brooklyn and the Bronx

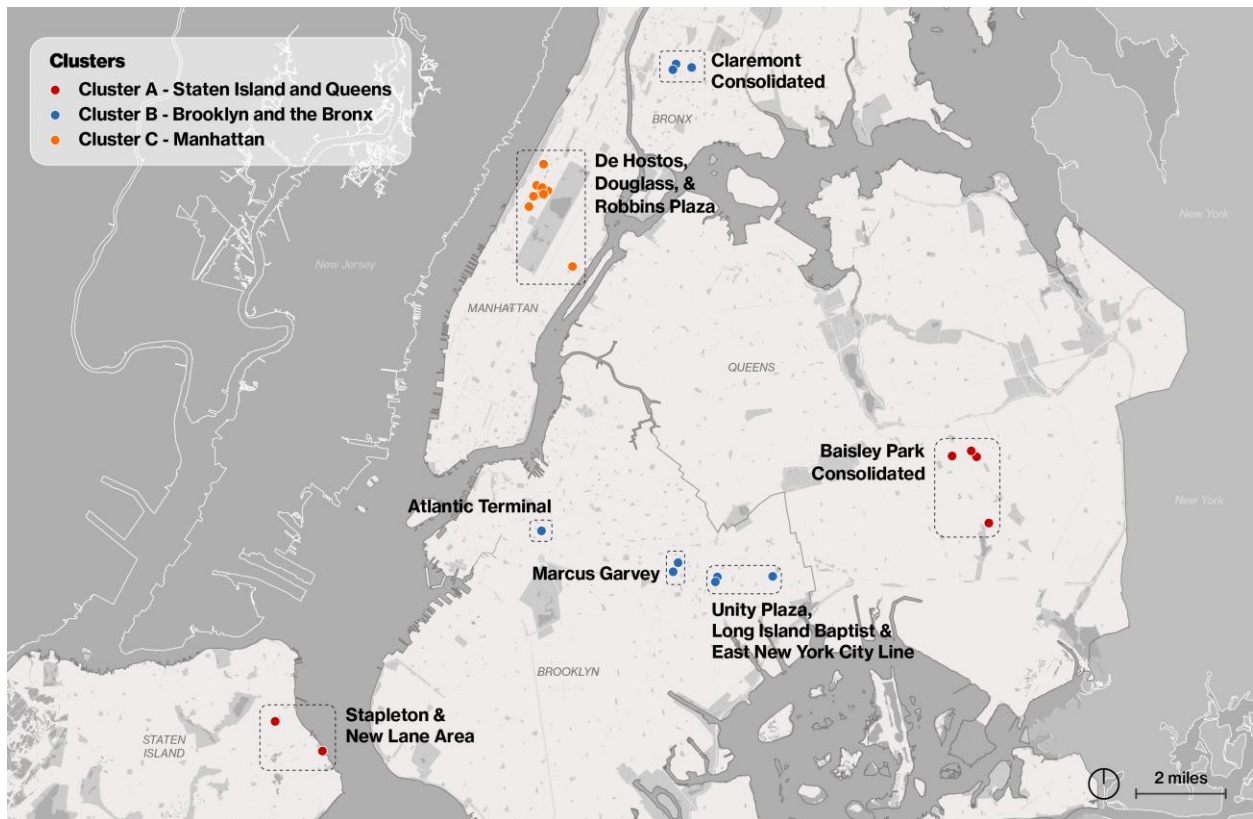
Project	Property	Units	Buildings	NYCHA 2023 PNA (20-Year)
Atlantic Terminal	Atlantic Terminal Site 4B	300	1	\$108,392,420
Marcus Garvey	Brown	200	2	\$76,484,381
	Garvey (Group A)	321	3	\$169,517,971
Unity Plaza, Long Island Baptist, and East New York City Line	East New York City Line	66	33	\$61,546,464
	Long Island Baptist Houses	232	4	\$97,162,569
	Unity Plaza (Sites 17, 24, 25A)	167	3	\$81,302,192
	Unity Plaza (Sites 4-27)	462	5	\$216,474,609
Claremont Consolidated (Select Sites)	1162-1176 Washington Ave	66	1	\$31,707,536
	Claremont Rehab (Group 4)*	57	2	\$27,471,509
	Claremont Rehab (Group 5)	135	3	\$72,468,520
	College Ave-East 165 th Street	95	1	\$32,389,983
Total		2,101	56	\$974,918,154

*Includes only two (2) buildings within this development

Cluster C – Manhattan

Project	Property	Units	Buildings	NYCHA 2023 PNA (20-Year)
De Hostos, Douglass, and Robbins Plaza	154 West 84 th Street	35	1	\$18,152,327
	De Hostos Apartments	223	1	\$90,818,769
	Rehab Program (Douglass Rehabs)	112	4	\$61,002,255
	Rehab Program (Wise Rehabs)	40	1	\$21,125,588
	Robbins Plaza	150	1	\$51,663,429
	Thomas Apartments	87	1	\$37,009,334
	WSUR (Brownstones)	236	36	\$177,534,293
	WSUR (Site A) 120 West 94 th Street	70	1	\$36,805,844
	WSUR (Site B) 74 West 92 nd Street	168	1	\$71,784,484
	WSUR (Site C) 589 Amsterdam Avenue	158	1	\$66,311,919
Total		1,279	48	\$632,208,242

Please refer to [Exhibit A - Property Profile](#) which contains supplemental information for the Properties.



B. Project Description

The Properties listed above were prioritized for the PACT Program due to significant building issues, hazardous conditions, and insufficient property management. Because of these extensive issues, and to facilitate efficient rehabilitation, Project Teams must plan for temporary relocations for 100% of households during construction. Please see [Exhibit A - Property Profile](#) for additional information regarding each Property.

New Construction and Redevelopment Opportunities for all Properties

Applicants are required to evaluate all Properties for their potential to be:

- Rehabilitated;
- Reconstructed (defined as demolition of existing structures with new construction on the same site); and/or
- Developed through infill construction (defined as the addition of new buildings alongside existing structures without demolition).

Teams must conduct their own comprehensive analysis of each Property, considering, at a minimum: known existing building conditions and needs; neighborhood and market context; community and resident needs; management and operations considerations; zoning and land use regulations; and applicable policy tools or regulatory constraints. Respondents may also consider including their own privately controlled sites, should doing so help facilitate easier construction processes or otherwise better project outcomes. Proposals should clearly articulate recommended development strategies that achieve the strongest overall outcomes based on these considerations.

Finalist Applicants are advised that any final decisions regarding the future of these Properties will be made by NYCHA in consultation with residents and community stakeholders. Proposals should therefore reflect an understanding of the importance of resident engagement and demonstrate flexibility to respond to community-informed outcomes.

Additionally, supplemental Existing Conditions Reports will be provided to Finalist Applicants as part of the second phase of the selection process. Based on the findings of these reports, teams may be asked to revisit, refine, or reconsider their proposed approaches for one or more Properties.

The following guiding principles for new construction and/or redevelopment proposals will be favored by NYCHA in reviewing Proposals:

- **One-for-One Replacement:** Replacing all existing NYCHA apartments with new permanently affordable homes.
- **Build First:** Phasing strategies that eliminate the need for resident relocations by allowing residents to remain in their units while replacement units are being built.
- **Additional Housing:** New construction that adds additional affordable or mixed income housing to the development campus.

- **Bridge Planning:** Property management strategies for improving residents' quality of life before a move to a newly constructed building and before the conversion to Project-Based Section 8.
- **Resident-Led Community Planning:** Resident engagement strategies that center resident voices in the planning and design of any new construction or redevelopment.
- **Collaborative Processes:** Creating new partnerships with public and private stakeholders, businesses, non-profits, and voluntary organizations for the benefit of NYCHA residents.

Phasing

As the Properties are in significant and immediate need of repair or redevelopment, all Projects within a Cluster must reach a financial closing and begin construction within the same 6-month period. Project Partners should be prepared with adequate staffing capacity to undertake all Projects simultaneously before and after PACT conversion. The Prime Developer must ensure that all Project Teams have sufficient capacity.

Additionally, Applicants should assume an accelerated predevelopment and conversion timeline at Unity Plaza, given particularly significant capital repair needs at that Property.

Resident Engagement

Engagement with residents is paramount to the success of the Projects. As of the release of this RFEI, eighteen (18) of the Properties have established Tenant Associations. Properties that do not have established Tenant Associations, as of December 2025, include: 1172-1176 Washington Ave; Claremont Rehab (Group 4); Claremont Rehab (Group 5); College Ave-East 165th St; East New York City Line; WSUR (Site C); 154 West 84th Street; and Robbins Plaza. These Properties may elect to have tenant representation in the PACT process through the establishment of a "Planning Committee". Project Partners should be prepared to work directly and closely with tenant leaders at each Property and outline how they will meet with different "Planning Committees".

NYCHA's Community Engagement Requirements, found in Exhibit I, must be met for each Property involved. Project Teams must have staff capacity to conduct meaningful engagement that meets or exceeds NYCHA's requirements at all Properties concurrently.

C. About PACT

PACT leverages programs of the U.S. Department of Housing and Urban Development ("HUD") to preserve and redevelop existing public housing stock through conversion to Project-Based Section 8 funding. Under PACT, NYCHA enters into public-private partnerships to make major improvements to, or rebuild, its public housing developments while preserving long-term affordability and resident rights and protections. NYCHA has an established goal to comprehensively rehabilitate at least 62,000 NYCHA apartments through the PACT program. PACT is expected to bring vital repairs or new homes to New York City's public residents to ensure

they have the safe, decent, and affordable homes they deserve. To date, NYCHA has leveraged these HUD tools to preserve over 30,000 homes, leveraging over \$98.6 billion in capital repairs.

PACT enables NYCHA to convert its properties to Project-Based Section 8 in order to raise capital for repairs or redevelopment through a combination of two HUD programs: (i) HUD's Rental Assistance Demonstration program ("**RAD**", as further defined below) and (ii) disposition under Section 18 of the U.S. Housing Act of 1937, as amended ("**Section 18**", as further defined below).

Through PACT, the New York City Housing Development Corporation ("**HDC**"), New York City's municipal Housing Finance Agency, coordinates or provides senior, and in some cases, subordinate, construction and/or permanent loan financing funded by, but not limited to, taxable or (non-volume cap) tax-exempt bonds issued through HDC's Multi-Family Housing Bond Resolution (the "**Open Resolution**") or the newly created Housing Impact Bond Resolution (the "**Impact Resolution**"), a bond resolution created solely to facilitate NYCHA transactions. More detailed information about the conversion methods contemplated for this Project is included in this RFEI.

Rental Assistance Demonstration Program

The Rental Assistance Demonstration Program ("**RAD**") is an innovative HUD tool to preserve or redevelop public housing and address capital needs. Under RAD, public housing authorities like NYCHA convert the funding source that supports a development from public housing subsidy (a.k.a. "Section 9") to Section 8 subsidy, enabling NYCHA and PACT Partners to leverage private debt and equity to complete repairs. More information about RAD is available at: <https://www.hud.gov/rad/>.

Section 18 and Tenant Protection Vouchers

NYCHA uses the Section 18 disposition process to apply for Tenant Protection Vouchers ("**TPVs**"). This disposition method allows housing authorities to request higher levels of federal subsidy from HUD. Doing so enables NYCHA and PACT Partners to leverage more private debt and equity, which better funds repairs in many of NYCHA's highest-need developments.

D. PACT Section 8 Conversion Process

Blended RAD/Section 18 Disposition

Pursuant to the Section 18 Notice ("**Section 18 Notice**"), for Properties converting through RAD, the percentage of units eligible for disposition under Section 18 within each Project is based on the hard construction costs, including general requirements, overhead and profit, and payment and performance bonds, proposed for a rehabilitation of the Covered Project as compared to the Housing Construction Costs (HCC) as published by HUD for the given market area. The following table sets forth the eligibility criteria for a RAD/Section 18 Construction Blend and, for each criteria, the maximum percentage of units eligible for Section 18 and the minimum number of units that will convert under RAD within the Converting Project:

Required HCC Threshold	RAD / Section 18 Blend Percent
1. Proposed rehab where hard construction costs exceed 90% of the HCC for the given market area* OR 2. Demolition and Redevelopment of the project OR 3. Transfer of Assistance	Up to 90% Section 18 at least 10% RAD
Proposed rehab where hard construction costs exceed 60% of the HCC for the given market area	Up to 60% Section 18 at least 40% RAD
Proposed rehab where hard construction costs exceed 30% of the HCC for the given market area	Up to 30% Section 18 at least 70% RAD

**New York City is included on HUD’s list of high-cost areas.*

It is assumed that each Project’s conversion will be a RAD/Section 18 Construction Blend with 10% of units converting via RAD and 90% of units converting via Section 18. NYCHA reserves the right to require Applicants and the Designated Project Team(s) to underwrite additional scenarios prior to and after designation.

The 10%/90% RAD/Section 18 Construction Blend assumption enables (1) the RAD resident protections to be provided to all units in a Project, while also (2) maximizing the higher rent levels available through Section 18 conversions.¹ The currently assumed RAD/S18 blend is included in the “RAD Blend Analysis” tab in [Exhibit S - Underwriting Templates](#) that will be provided to Finalist Applicants. NYCHA reserves the right to ask Finalist Applicants and the Designated Project Team(s) to implement alternative blends prior to and after designation.

Additional HUD Requirements

HUD may require, and NYCHA may pursue, a recalculation of rent levels to meet HUD requirements and maintain the financial strength and long-term stability of the Property.

Project Financing

HDC will coordinate or provide senior, and in some cases, subordinate, construction and/or permanent loan financing funded by, but not limited to, taxable or (non-volume cap) tax-exempt bonds issued through the Open Resolution and/or the Impact Resolution. Any HDC subordinate loans shall be funded by City capital, if available. NYCHA and HDC welcome creative financial structures, including but not limited to utilizing Historic Tax Credits, PILOT bonds, energy performance related financing, Opportunity Zone funding, as applicable, and 501c3 bonds. NYCHA and HDC will ultimately determine the financing structure after the Designated Project Team(s) are designated.

¹ Section 18 rents are underwritten based on the traditional Project-Based Section 8 formula, up to the payment standard of 110% of Fair Market Rent (as determined by HUD), subject to rent reasonableness.

III. SUBMISSION PROCESS

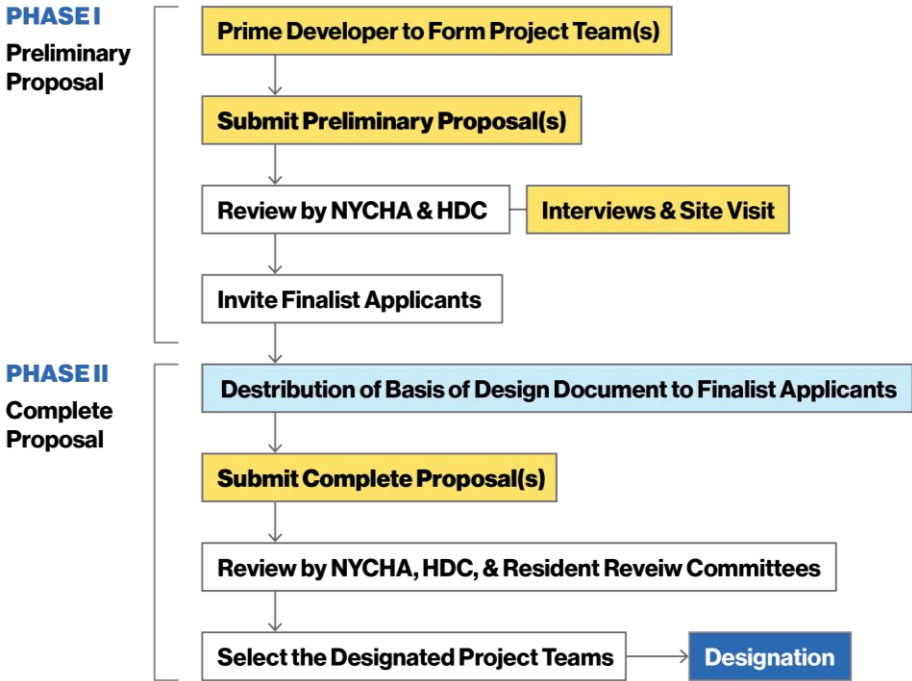
A. Process Overview

Preliminary Proposal

Prime Developer Applicants will be responsible for forming Project Team(s), consisting of Property Manager(s), and additional Developer(s), General Contractor(s), Architect(s), and other professionals, as needed, to prepare a Preliminary Proposal and to implement the Projects (as further defined below). The Preliminary Proposal will outline the Applicant’s vision for the Projects, including a community engagement approach and a phasing plan. NYCHA and HDC will review Preliminary Proposals and may invite qualified Applicants to an interview process, which will include at least one presentation but may also involve a site visit to the Properties and/or a property that members of the Project Team(s) have recently rehabilitated.

Complete Proposal

Upon completion of the interview process and following a comparative review of the Competitive Selection Criteria (as defined and described in Section V), NYCHA will invite high-scoring teams (“**Finalist Applicants**”) to submit a Complete Proposal and provide instructions on submitting additional materials for review. The Complete Proposal will provide an opportunity to prepare and submit detailed scopes of work and a financial proposal, informed by Existing Conditions Studies and a Basis of Design that NYCHA will provide to Finalist Applicants. NYCHA, HDC, and the Resident Review Committees will review the Complete Proposals and select the Designated Project Team(s), issue a Conditional Designation Letter (“**CDL**”), and commence pre-development work for the Project(s).



B. Team Formation

NYCHA is seeking highly-qualified development entities with demonstrated success completing large-scale rehabilitation and/or redevelopment efforts, in order to efficiently and cost-effectively improve housing conditions for residents, to serve as Prime Developer. The Prime Developer will have ultimate responsibility for the Project(s) and will serve as the primary point of contact between the Project Team and NYCHA. Prime Developer Applicants will be selected based on their experience and ability to form teams to undertake and finance the required capital repairs and on-going operations at the Properties while committing to support robust social services. Prime Developer(s) are responsible for forming Project Team(s) consisting of Developer(s), Property Manager(s), Architect(s), General Contractor(s) and/or other professionals as needed to implement the Project(s). Prime Developer Applicants must be a Pre-Qualified Partner and demonstrate experience having successfully completed large-scale rehabilitation and/or new construction projects of at least 1,500 units within a single project or transaction.

The Prime Developer may partner with different entities for each Project within the Cluster. For example, a Prime Developer may propose a joint venture with another Pre-Qualified Partner Developer, a General Contractor, Property Manager and an Architect for one Project, and a joint venture with different entities for another Project within the Cluster.

Following selection, the Designated Project Teams within a Cluster will be responsible for obtaining financing for the transactions, completing the required rehabilitation, managing the Properties, and supporting a Social Service Coordinator in compliance with this RFEI and other NYCHA specifications, the Finalist Applicant's Proposal, and the Project's applicable financing requirements. NYCHA and HDC acknowledge that the Designated Project Team(s) will also consist of other professional, technical, and construction entities (e.g., equity investor, architect, engineer, community planning professional, and legal counsel) not included in the Pre-Qualified Partner List. Applicants are encouraged to form partnerships and assemble teams in order to supplement internal capacity.

To address NYCHA's high and unique capital needs at its developments, NYCHA reserves the right to change any part of a Project Team as it deems appropriate. For example (but without limitation), NYCHA can cancel solicitations, remove members of a Project Team, and add new members to a Project Team, as well as remove or add properties to Projects and/or the Clusters.

Changes to Teams after Proposal Submission

Once Applicants have submitted their Proposal, they are not permitted to change, add, or remove additional entities to/from Project Team(s) until designation. Once an Applicant has received notice from NYCHA of designation, they may request to change, add, or remove additional entities to/from Project Team(s) subject to NYCHA's approval in its sole discretion. NYCHA reserves the right to require additional documentation from any proposed new entities prior to making its determination. Following selection, the Designated Project Team(s) within a Cluster will be responsible for obtaining financing for the transaction(s), completing the required rehabilitation, managing the Properties, and supporting Social Service Coordinators in compliance with this RFEI and other NYCHA specifications, the Applicant's Proposal, and the applicable financing requirements of the Projects. NYCHA and HDC acknowledge that the Designated Project Teams

will also consist of other professional, technical, and construction entities (e.g., equity investor, architect, engineer, community planning professional, and legal counsel) not included in the Pre-Qualified Partner List. Applicants are encouraged to form partnerships and assemble teams in order to supplement internal capacity.

Social Service Coordinators should not be included as part of the initial Project Team. This partner will be identified in coordination with NYCHA and resident leaders following the preparation of a comprehensive Social Service Needs Assessment to be completed shortly after selection of the Project Team. However, in their Proposal, Applicants should describe how they intend to conduct a Needs Assessment and develop a Social Services Plan, and whether partnerships with consultants or community-based organizations will be needed to execute this work. In their Proposal, Applicants are welcome to identify potential Social Service Coordinator(s) with which they have experience or to describe their experience providing social services at other properties that they own or manage. Finalist Applicants must abide by the Underwriting Guidelines in Exhibit S in terms of budgeting for the provision of social services.

Following a comparative review of the Competitive Selection Criteria by NYCHA, HDC, and the Resident Review Committee (as defined and described in Section V), Finalist Applicants will be designated to commence negotiations with NYCHA (“**Designated Project Team(s)**”).

C. Applicant Interest Form

Interested applicants must fill out and submit an Applicant Interest Form located here: <https://forms.cloud.microsoft/g/LVQpDhbTkv>. Applicants that have submitted an Interest Form will be sent a SharePoint link to upload their RFEI submission. Only applicants that have submitted an Interest Form will be sent this link.

D. Pre-Submission Conference and Site Access

NYCHA will host one general Pre-Submission Conference webinar on the date and time stated on the first page of this RFEI via Zoom. The Pre-Submission Conference will serve as an opportunity to discuss the Projects with the NYCHA project team. Applicants are strongly encouraged to attend the Pre-Submission Conference. In order to register, Pre-Qualified Partners should follow this link to the Applicant Interest Form and register by the date included on the first page of this RFEI: <https://forms.cloud.microsoft/g/LVQpDhbTkv>.

Partners can also address any issues with completing the registration form by reaching out to the following email address: pact.partners@nycha.nyc.gov. The Pre-Submission Conference will be a reiteration of the information included in this RFEI, and responses to all questions raised will be posted and available for all Pre-Qualified Partners to review at the PACT Resources for Partners and Vendors webpage.

Finalist Teams will have the opportunity to access the Properties for in-person site visits to inspect the Properties for greater clarity of the Existing Conditions Reports. Information on how to register for site access will be provided to Finalist Teams.

E. Questions

All initial questions from Pre-Qualified Partners for this RFEI will be due by **January 23, 2026**. Please submit questions by completing the form located at: <https://forms.cloud.microsoft/g/jCQmkY7zUn>.

Pre-Qualified PACT Partners will be notified when responses to questions are posted to the PACT website.

Pre-Qualified Partners may alternatively submit questions to pact.partners@nycha.nyc.gov if there are issues completing the webform.

F. Submission Due Date

Preliminary Proposals must be submitted electronically via email per the instructions to be provided no later than **April 10, 2026 at 5pm** (the “**Preliminary Proposal Deadline Date**”). Hard copies are also required. Ten (10) copies should be delivered to:

NYCHA Real Estate Development c/o Jamie Shalvey
90 Church Street, 5th Floor
New York, NY 10007

No Proposals will be accepted after 5:00 PM on the Preliminary Proposal Deadline Date unless the Preliminary Proposal Deadline Date is extended by NYCHA for all Applicants. NYCHA reserves the right to reject any or all Proposals received under this RFEI.

G. Property Information

NYCHA may provide supplemental materials and data to Applicants to facilitate the development of Proposals. RFEI exhibits and any additional information will be accessed at NYCHA’s PACT website located at: <https://www1.nyc.gov/site/nycha/about/pact/procurement.page> unless otherwise instructed through a notice to Applicants. NYCHA may elect to utilize an alternative method of distributing Property information to Applicants.

IV. SUBMISSION REQUIREMENTS

A. Preliminary Proposal Submission

Applicants must submit all forms and supporting documentation as described below in order for their Preliminary Proposal(s) to be considered by NYCHA. Applicants may be notified of additional submission instructions after they have submitted an Interest Form. NYCHA will utilize the Lead Applicant contact information provided in the Proposal to communicate additional submission instructions to the Applicant. All submissions become the property of NYCHA.

By **April 10, 2026, 5pm**, applicants must submit Preliminary Proposals electronically through NYCHA's SharePoint system, for which access will be granted in advance of the submission deadline. Also by this date, Applicants must submit 10 printed and bound copies of the Proposal (not including the Appendix materials).

B. Proposal Outline and Content

In the Preliminary Proposal, Applicants must describe how they plan to comply with the requirements of this RFEI and demonstrate an understanding of, and commitment to, completing and operating the Projects in accordance with these requirements. Applicants should prepare a narrative description of their Proposal that includes the sections and information listed below. Applicants may include photographs, diagrams, illustrations, and/or renderings, as needed, in order to more clearly communicate their plans.

The Preliminary Proposal should be submitted in a single PDF document combining all contents of the submission in the order described below, with additional Appendix items being submitted as standalone files. The PDF document must be single paged, no two-page spreads, and formatted as letter sized pages (8.5 inches x 11 inches). Proposals should contain a maximum of 30 pages. The maximum file size for a single document submission is 100MB, and resolution should be at least 96 dpi. All fonts should be size 11 or larger.

The Preliminary Proposals from the Finalist Applicants will be distributed to Resident Review Committees made up of resident leaders at each development.

Preliminary Proposals must conform to the outline specified below and include content as described in each section. In addition to submitting all proposal materials in the file formats as specified, Applicants should submit 10 printed and bound copies of the Proposal (not including the Appendix materials).

1. Cover Page

- a. The Proposal must contain a cover page showing the following information:
- b. **“PACT Partner Proposal: [CLUSTER NAME]”**
- c. Name of Applicant

- d. Name and role of each entity in the Applicant
 - e. Contact information for the Applicant's primary point of contact
 - f. Date of submission
2. **Proposal Overview** (approximately 1 page)
 - a. Provide a narrative description of the overall Proposal, including key information from the below sections.
 3. **Cluster Approach and Timeline** (approximately 4 pages)
 - a. Describe in clear detail the team's approach for the Projects within a Cluster, including:
 - i. Strategies for staffing and project management for each Project during the pre-development phase;
 - ii. Proposed timeline for pre-development, closing, and rehabilitation or redevelopment construction for each Project; and
 - iii. Any proposed deviations from the Project configuration included in Section II.A., and rationale (as applicable).
 - b. Strategies for providing inclusive engagement opportunities for residents at all Properties within the Cluster.
 4. **Team Description** (approximately 5 pages)
 - a. Identify each firm and their role(s), including which members would have primary responsibilities for project implementation. Include information about team formation for the Cluster and each Project.
 - b. Describe relevant qualifications and experience, including any similar projects and ongoing or completed projects in the vicinity of the Property.
 - c. Indicate which principals and staff members would have primary responsibilities for project implementation and describe their roles in the day-to-day management of the Project and any relevant experience (include full resumes in Appendix).
 - d. Provide an organizational chart explaining the intended form and structure of the Applicant, including principals and the structure and percentages of ownership and investment. Include separate organizational charts for each Project, as applicable.
 5. **Property Management** (approximately 5 pages)
 - a. Provide a brief narrative description of the proposed property management approach, including:
 - i. Strategies to ensure a high level of customer service and resident satisfaction;
 - ii. Strategies for facilitating a successful resident transition, including temporary moves, rightsizing, and NSPIRE compliance;
 - iii. Strategies for improving security and public safety; and
 - iv. Specific methods that would be used to address issues such as elevator outages, mold, lead paint abatement, pest management, and heating outages.
 - v. Describe the property management structure as it relates to managing each Project within the Cluster, including:
 1. Strategies for successfully managing multiple developments; and

2. Any proposed team structure that incorporates multiple property managers within one Cluster.
 - b. Respondents are encouraged to incorporate key information from their response to *Exhibit C - Management Questionnaire* (e.g., staffing plans, work order process, resident communications), which must be completed and included in the Appendix.
6. **Resident Amenities and Social Services** (approximately 5 pages)
- a. Describe the team's approach to developing a comprehensive Social Services Plan to support resident needs and promote access to opportunity.
 - b. Refer to the "Social Service Coordination and Social Service-Related Requirements" for a full understanding of NYCHA's expectations.
 - c. Identify which organization(s) will be responsible for conducting the preliminary needs assessment and developing the Social Services Plan and describe their experience and qualifications.
 - d. Identify any additional resources and amenities that will be offered to residents through this project.
7. **Community Engagement** (approximately 5 pages)
- a. Describe the proposed community engagement approach, including approach, timeline, and strategies for communicating and engaging with residents and tenant association leadership during predevelopment, construction, and stabilized operations. Community engagement and participation is expected to shape key project plans, including the Final Rehabilitation Scope of Work, Property Management Plan, Social Services Plan, and other investments. See Exhibit I - Community Engagement Requirements for further guidance on engaging with residents during the predevelopment period. Applicants are expected to expand upon this guidance with creative strategies and tailor their approach to the needs of each development. Applicants should detail their strategy for conducting simultaneous engagement at all sites within a Cluster.
 - b. Applicants are encouraged to form partnerships and assemble teams in order to supplement internal capacity. Project Teams will be required to craft and deliver professional, customer service-oriented, and culturally sensitive outreach and communications strategies. Applicants should consider the addition of a community engagement consultant to their team in order to ensure smooth engagement coordination for a large number of developments.
 - c. Describe any staff, budget, or other resources that will be dedicated to support community engagement efforts.
8. **Overview of Financing Approach** (approximately 2 pages)
- a. Provide a narrative description of the proposed financing strategy, which demonstrates compliance with this RFEI and explains proposed funding sources and overall approach.
 - b. Cost-benefit-analysis demonstrating the cost-effectiveness of rehabilitation versus redevelopment, versus a combination of both. Such analysis must seek to minimize the use of City capital subsidy and should contemplate both construction costs and long-term maintenance and operations costs.

9. **Overview of Design and Construction Approach** (approximately 2 pages)
 - a. Provide a narrative description of the proposed design and construction strategies, which demonstrates compliance with this RFEI and explains overall approach.
 - b. Provide an initial evaluation of rehabilitation and redevelopment opportunities at Properties flagged in Section II.B.

Appendix

Applicants should **not** submit printed hard copies of the Appendix. The items listed below should only be submitted electronically in the file formats specified.

1. **Applicant Letter, Description, and Experience**
 - a. **Forms 1 and 2 – Exhibit E (PDF)**
 - i. Due to the electronic-only release of this RFEI, submissions may be signed by electronic signature, which shall have the same force and effect as an original signature
 - ii. Please note that an Applicant's private equity partners who have at least a 10% ownership interest in the Applicant are required to submit the same documentation as the Applicant, as applicable.
 - b. **Residential Development and Management Experience Forms (Forms 3 and 4) – Exhibit E (Excel)**
 - i. Regardless of current prequalification status, all Developer and Property Manager entities are required to submit these forms outlining their relevant experience.
 - ii. Note: All Developer entities must successfully be or become listed on NYCHA's Pre-Qualified PACT Partners List. Applicants proposing to include non-prequalified Property Managers or General Contractors in their Project Team(s) may, at NYCHA's discretion, be asked to provide additional materials, including asset statements.
 - c. **Asset Statements (Form 5) – Exhibit E (PDF)**
 - d. **Resumes (PDF)**
 - i. Provide resumes that include brief profiles of the team members' Developer and Property Management Principals, supporting associates, and staff to be primarily assigned to the Project. Applicants do not need to provide resumes for other consultants. This information must specify each team member's role, existing workload, and previous experience with similar projects, but should be as brief as possible.
 - ii. If the Applicant is proposing a non-prequalified Property Manager as part of their Project Teams, the Applicant must provide detailed background material on the Property Management company. NYCHA may request additional information.
 - e. **Current Workload (PDF)**
 - i. Each Principal of the Developer and Property Management Company of the proposed Project Team must list all projects in which they are involved that will coincide with the timing of the construction closing on and rehabilitation and operation of the Projects.
2. **Management Questionnaire – Exhibit C (PDF)**

3. HDC Eviction Rate Questionnaire – Exhibit L (PDF)

- a. All proposed Borrowers and Managing Agent Entities must submit both an Eviction Rate Questionnaire and an Eviction Training Certification as part of their RFEI submission. See Exhibit L – HDC Eviction Rate Questionnaire for submission details.

Finalist Applicants that have been selected to advance to the next round of review will be notified by NYCHA and asked to submit a Complete Proposal by supplementing the materials outlined above with a Proposed Rehabilitation Scope of Work and Financial Proposal. The Complete Proposal must additionally incorporate the information specified below and include content as described in each section.

Finalist Applicants may be asked to submit additional printed and bound copies of the Complete Proposal (not including the Appendix materials). NYCHA may provide additional guidance regarding page limits to Finalist Applicants.

10. Redevelopment Plan

- a. Provide a redevelopment scenario analysis for Properties listed in Section II.B., referencing guidance included in Section II.B.

11. Proposed Rehabilitation Scope of Work

- a. Provide a Scope of Work Narrative that describes the Proposed Rehabilitation Scope of Work. Scope of Work Narratives should follow the outline provided in the “SOW Narrative” tab in the Rehabilitation Scope of Work.
- b. Provide a detailed Proposed Rehabilitation Scope of Work:
 - i. unit costs or lump sums for each line item included in the ‘SOW Detailed’ sheet;
 - ii. where feasible, add betterments as additions or add alts within the ‘SOW Detailed’, sheet matching the existing formatting and ensuring the additions are reflected in the Project Cost calculations in the ‘SOW Summary’ sheet;
 - iii. where applicable, indicate products in the comments and/or provide product specifications as attachments;
 - iv. modify or add to the ‘SOW Narrative’ sheet to reflect the proposed vision for the Project.
- c. Summary cost estimates for the **Proposed Rehabilitation Scope of Work** must be entered into Exhibit T: Underwriting Template “SOW Cost Estimates” tab in the format provided to Finalist Applicants. Notes and a summary of what is contained in each division should be included.

12. Financial Proposal

- a. Provide a narrative description of the proposed financing strategy, which demonstrates compliance with this RFEI and explains the proposed funding sources and overall approach. Note experience with financing sources and similar types of projects.
- b. NYCHA and HDC will determine, and HDC will arrange, the financing structure for the Project. Financing for the Project must incorporate the items detailed in Exhibit S - Underwriting Guidelines and Exhibit T - Underwriting Templates, as well as those outlined in the above “Project

Financing and Fee Requirements” section. Applicants that would like to propose an alternative financing structure should articulate this within this section of the Proposal. However, in all cases, Applicants must provide a completed Exhibit S - Underwriting Templates that assumes the HDC financing terms provided. Compelling narratives will detail the potential financial impact of the alternative, highlight the Project Team’s experience with that financial structure, and demonstrate the feasibility of implementation.

- c. Preference will be given to Applicants that maximize the ongoing annual cash flow return to NYCHA, not to be less than a 50% contribution of annual cash flows.
- d. Proposals with favorable upfront acquisition payments to NYCHA will be viewed positively.
- e. Preference will be given to Applicants that propose equity (whether from the Applicant or a Third-Party Equity Partner) equal to at least 5% of the total development cost, less existing debt, developer fee and reserves. Applicants should describe their ability and willingness to contribute equity into the Project. Proposed equity contributions from the Applicant that are maximized will be reviewed favorably. NYCHA may be willing to reduce the amount of cash flow it receives in order to maximize equity contributions from the Applicant; therefore, Applicants should indicate alternate cash flow splits that would allow the Applicant to maximize its equity contribution. If an Applicant is considering the inclusion of a Third-Party Equity Partner in the Project, such Third-Party Equity Partner must be identified as a member of the Project Team, and Applicant’s Proposal must include information demonstrating the Third-Party Equity Partner’s role in the partnership, a structure chart, and a summary of the equity terms, including the proposed investment period and return requirements. Proposals will be viewed favorably in which the investment period of the Third-Party Equity Partner is maximized.
- f. Copies of bank or other lender references should be included in the Appendix (if applicable).
- g. A rental pro forma (in the provided format in Exhibit S - Underwriting Templates) must be included in Excel format only.

13. Labor and Hiring

- a. Provide a narrative approach to achieving labor and hiring requirements, including Davis Bacon, Section 3, and NYCHA Hiring Requirements.
- b. Submit completed NYCHA Section 3 and REO Plan (see Exhibit M)

V. SELECTION CRITERIA & PROCESS

A. Review

Applicants will be selected based on their ability to undertake the required capital repairs and on-going operations at the Properties while committing to support robust social services.

NYCHA will conduct the review of applicants in two (2) phases: 1) review of Preliminary Proposals from Applicants; 2) review of Complete Proposals from Finalist Applicants by NYCHA, HDC, and the Resident Review Committee.

Preliminary Proposals

Following the submission of Preliminary Proposals, NYCHA will evaluate each Preliminary Proposal according to the threshold requirements below (“**Threshold Requirements**”), considering the information provided in the Preliminary Proposal, references, and any other information about the Applicant’s past performance available to NYCHA. Preliminary Proposals that are not complete or do not conform to the requirements of this RFEI will be deemed non-responsive and eliminated from further consideration, unless NYCHA permits the Applicant to correct the omission (see subsection B below).

Proposals that meet all Threshold Requirements will be comprehensively evaluated, rated, and ranked according to a set of competitive selection criteria (“**Competitive Selection Criteria**”). NYCHA and HDC will then invite high-scoring teams to submit Complete Proposals, which will be scored by additional competitive selection criteria. The Competitive Selection Criteria for both Preliminary and Complete Proposals are listed below.

Complete Proposals

NYCHA and HDC will work closely with resident leaders in the evaluation and selection of a Project Team who has successfully submitted a competitive Complete Proposal in response to this RFEI. NYCHA and HDC will conduct an initial assessment of Complete Proposal materials before sharing the highest-scoring finalist proposals with the Resident Review Committees. Resident leaders from each development will form Resident Review Committees who will be trained and given access to all Complete Proposal materials (with the exception of personally identifiable information and personal asset/financial statements, which will be redacted). Residents who participate on the Resident Review Committees will also sign a Confidentiality and Conflict of Interest Agreement.

NYCHA and HDC may request additional information, interviews, presentations, or site visits in their sole discretion. During review, the Resident Review Committees will conduct interviews and may request site visit(s) and clarifications. The Designated Project Team(s) will be chosen from among the Complete Proposals that best conform to the criteria detailed herein. NYCHA may disapprove the inclusion of any member of an Applicant and/or require the Applicant to substitute other individuals or firms.

B. Threshold Review

1. **Completeness of Proposal**

The Proposal must contain all documentation required under “Submission Requirements” below. All of the required forms must be fully completed, and application requirements met at the time of submission. Upon review, however, NYCHA, at its discretion, may notify an Applicant that additional information or clarification is necessary and ask the Applicant to submit such information in a timely manner as determined by NYCHA.

2. **Conformance with RFEI**

The Proposal must meet all minimum requirements outlined in this RFEI.

3. **Ability to Finance**

Applicants must demonstrate adequate financial standing to undertake the Projects as described in their Preliminary Proposal. NYCHA will evaluate the Applicant’s assets, and bank or other lender references, to determine the Applicant’s capacity to meet NYCHA’s, HDC’s, and other lender’s equity and guaranty requirements, absorb any cost overruns, and commence and complete rehabilitation of the Cluster in a timely manner. Applicants also must demonstrate experience with potential proposed financing sources.

4. **Prime Developer Experience**

Prime Developer Applicants must demonstrate experience having completed large-scale rehabilitation and/or new construction projects of at least 1,500 units in a single project or transaction.

5. **Team Capacity**

Applicants must demonstrate adequate staffing capacity, including as demonstrated among the Prime Developer and all Project Team members to meet the requirements outlined in this RFEI.

If an Applicant is given an opportunity to cure a deficiency in meeting one or more of the Threshold Requirements listed above but does not respond to NYCHA’s request for such cure, or if the Applicant’s response does not sufficiently address the deficiency(ies), the Applicant’s Proposal will not be reviewed under the Competitive Selection Criteria.

C. Competitive Review

Preliminary Proposals that satisfy the Threshold Review Requirements above will be evaluated, rated, and ranked according to the Competitive Selection Criteria described below. Teams that submit high-scoring Preliminary Proposals will then be invited to submit a Complete Proposal, which will additionally include Rehabilitation Scope(s) of Work and a Financial Proposal. In evaluating proposals using these criteria, the combined experience and resources of all Principals of the Finalist Applicant and proposed Project Team(s) will be considered. NYCHA, HDC, and the

Resident Review Committee will also strongly consider each Finalist Applicant's performance during interviews, presentations, and site visits.

1. Development Experience and Capacity

The combined experience and resources of all Principals of the Applicant and proposed Project Team(s) will be evaluated. Factors to be considered include, but are not limited to, the following:

- a. Quality of construction and design in projects completed or currently under construction by the Project Team(s) and/or its Principals;
- b. Extent of the Project Team's experience, in terms of number, size, type, and complexity of rehabilitation and new construction projects within the last five (5) years;
- c. Extent of the Project Team's experience with high-performance and deep energy retrofit projects, specifically with multifamily buildings – including passive house, Net Zero, and Heating, Ventilation, and Air Conditioning system conversions with tenants in place;
- d. Successful and timely completion of tenant-in-place rehabilitation projects of similar size, type, and complexity;
- e. Experience with securing affordable housing financing;
 - i. Experience with developing and/or preserving affordable housing projects in partnership with public agencies;
 - ii. Experience with engaging resident, community, and municipal stakeholders.
 - iii. Applicants are encouraged to form partnerships and assemble teams in order to supplement internal capacity
 - iv. Experience with similarly sized affordable, RAD, or Section 8 developments;
- f. Experience in harmonious and successful labor relations and lack of negative labor issues;
- g. Successful track record of Section 3 compliance;
- h. Current workload (including active projects in predevelopment with NYCHA), staff capacity, and other pending project obligations and their potential impact on the ability of the Project Team(s) to complete the Projects within the prescribed timeframe; and
- i. Proven track record of delivering high quality projects on time and within budget.

2. Proposed Conversion Timeline

Factors to be considered include, but are not limited to, the following:

- a. Strength and quality of proposed strategy for converting within 1 year of designation and beginning construction at all Cluster developments within the same 6-month period.
- b. Quality of proposed strategy for conducting meaningful and simultaneous community engagement at all Properties.
- c. Strength of proposed staffing plan as it relates to ensuring all Projects are prioritized for pre-development, closing, and construction equally.

3. Property Management Experience and Project Approach

Factors to be considered include, but are not limited to, the following:

- a. Experience managing both tenant-in-place rehabilitation, and temporary resident relocation associated with lead-based paint or mold abatements;
- b. Experience managing similarly sized affordable housing properties, including seniors, supportive services, and Section 8 PBV projects;

- c. Experience managing public housing, mixed-finance public housing, and/or RAD projects, including demonstrated compliance with applicable regulations not limited to the New York City Housing Maintenance Code, and HUD's NSPIRE;
- d. Experience in harmonious and successful labor relations and lack of negative labor issues;
- e. Experience managing and providing social services;
- f. Experience managing community facility spaces, as applicable;
- g. Experience managing commercial spaces, as applicable;
- h. Experience managing affordable housing in New York City and/or relevant comparable markets;
- i. Quality of proposed tenant transition strategy, including how rightsizing, NSPIRE compliance and security issues are addressed;
- j. Quality of proposed resident protection strategy for both tenant-in-place rehab and temporary relocation, including tenant grievances; and
- k. Strength and quality of the responses to the Management Questionnaire and overall approach to resident-centered, customer-service oriented Property Management.

4. Quality of Proposed Community Engagement Approach

Factors to be considered include, but are not limited to, the following:

- a. Strength and quality of proposed community engagement strategy, including demonstrated experience with community planning and tenant outreach and engagement;
- b. Demonstration of ability to conduct meaningful community engagement at all Properties and with all tenant leaders. It is expected that engagement will be conducted concurrently at all Properties and that each Property will be engaged individually.
- c. Familiarity with NYCHA tenant issues and concerns regarding PACT; and
- d. The extent to which the proposed community engagement approach incorporates best practices and creative ideas to ensure a multi-faceted, broad, and inclusive strategy.

5. Quality of Proposed Rehabilitation Scope of Work (Complete Proposals Only)

Factors to be considered include, but are not limited to, the following:

- a. Completeness of Proposed Rehabilitation Scope of Work– detailed costs, as units or lump sums, for each line item within the template;
- b. Conformance with Exhibit Q – Basis of Design;
- c. Maximizing inclusion of Betterments to scope, while minimizing subsidy;
- d. Quality and durability of proposed finishes, fixtures, appliances, etc.;
- e. Inclusion of Early Implementation Projects (as later defined);
- f. The extent to which the Proposed Rehabilitation Scope of Work considers alternative and creative scope modifications/additions that align with NYCHA's goals for improved sustainability, resiliency and accessibility.

6. Financial Proposal (Complete Proposals Only)

Factors to be considered include, but are not limited to, the following:

- a. Meeting all capital needs of the relevant Project;
- b. Minimizing reliance on City and other public subsidies;
- c. Adherence to the terms outlined in Exhibit S: Underwriting Guidelines and Exhibit T: Underwriting Template, and RFEI requirements, including assumed 50% split of both the Developer Fee and ongoing Cash Flow;

- d. Reasonableness of estimated rehabilitation and operating costs, including the construction costs of the Proposed Rehabilitation Scope of Work;
- e. Cost containment, efficiency, and risk of financing;
- f. Proposed equity contributions;
- g. Return to NYCHA, including proposed lease payments and fees.

7. Labor and Resident Hiring (Complete Proposals Only)

Factors to be considered include, but are not limited to, the following:

- a. The strength and quality of the proposed approach to achieving Section 3 requirements;
- b. The strength and quality of the proposed approach to achieving NYCHA Hiring requirements;
- c. The extent to which the proposed approach considers other economic opportunities for NYCHA residents.

D. Selection

Selection of an Applicant under this RFEI means only that NYCHA will commence negotiations with such Applicant regarding the Proposal for the Cluster(s). This RFEI does not represent an obligation or agreement on the part of NYCHA.

1. Conditional Designation Letter

The Designated Applicant will be issued a Conditional Designation Letter and commence negotiations with NYCHA for the Cluster. NYCHA will send written notification to the Designated Applicant regarding the commencement of negotiations. In the event there are additional team members involved in specific Projects within a Cluster, NYCHA may issue additional Conditional Designation Letters to Project Team(s).

NYCHA reserves the right to negotiate with one or more Applicants (including simultaneously), to modify the scope of the Proposal, and to terminate negotiations with or without cause after the issuance of such Conditional Designation Letter. As described, upon execution the terms of this Letter will represent the CDL Proposal.

2. Predevelopment Timetable

The Conditional Designation Letter will include a development schedule setting out the major milestones and timeframes necessary to start construction (“**Development Schedule**”). Failure of the Designated Applicant(s), inclusive of Project Team(s), to follow the Development Schedule may result in the termination of negotiations and the selection of another Applicant to be the Designated Applicant(s). The Designated Applicant(s) will be expected to commence predevelopment work upon execution of the Conditional Designation Letter, which will further detail the specific milestones.

3. Disclosure

Any Designated Applicant who receives a Conditional Designation Letter from NYCHA must disclose all previous participation in NYCHA and City-assisted projects. All entities of the Designated Project Team and Principals thereof will each be required to submit

completed Entity and Individual Disclosure Statements, forms of which will be forwarded by NYCHA and/or HDC to the Designated Project Team. NYCHA and/or HDC, who will be handling this component of the PACT process, will provide copies of these forms upon request to any Applicant. They can also be accessed here:

<https://www.nychdc.com/develop>.

VI. PACT PROJECT REQUIREMENTS

A. General Requirements

1. Resident Rights and Protections

The Designated Project Team(s) will be required to comply with and operate the Property in accordance with:

- a. NYCHA's Section 8 PBV tenant protection regulations, as may be updated from time to time;
- b. The RAD resident protections as described in the most recently published RAD Notice;
- c. The New York City RAD Roundtable Guiding Principles (see Exhibit F);
- d. NYCHA's PACT Grievance Procedures (see Exhibit G), as may be updated by NYCHA;
- e. NYCHA's Stability and Housing Retention Guidelines (see Exhibit D), as may be updated by NYCHA; and,
- f. Any new updates that are approved by NYCHA and/or HUD with respect to the PACT program.

2. Resident & Community Engagement

Meaningful community engagement is a requirement of the PACT program. Community engagement should always be responsive to the overall PACT timeline and deliverables with resident input and decision-making feeding into design and other deliverables. All developments within a Project should be meaningfully engaged, and engagement requirements should be met at each development.

PACT Partners are responsible for leading resident engagement, with direction, support, and guidance from NYCHA. In addition, the Designated Project Team(s) will be required to craft and deliver professional, customer service-oriented, and culturally sensitive outreach and communications strategies as well as follow fair housing requirements concerning language interpretation and translation requirements.

Following selection, the Designated Project Team(s) will submit and implement a comprehensive plan that details how the Project Team(s) will engage residents, elected officials, and other community stakeholders throughout the predevelopment period (the "**Community Engagement Roadmap**").

The Designated Project Team(s) will also participate in required public forums, hearings, and briefings with NYCHA residents, the applicable Community Board(s), elected officials, City Agencies, and other organizations, as needed. The Designated Project Team(s) will continue to collaborate with NYCHA on implementing and updating the Community Engagement Roadmap, if necessary, throughout the predevelopment period.

The Designated Project Team(s) will be required to prepare and distribute a document that summarizes the final plans for rehabilitation, property management, and social services (the "**Community Plan**"). The Community Plan should ensure residents are clear about

what they can expect from the renovations and ongoing operations at their development. The Community Plan must be distributed to all residents at or around the time of conversion.

NYCHA has developed Community Engagement Requirements (see Exhibit I) that must be included in the Community Engagement Roadmap, but Applicants are encouraged to expand upon this guidance with creative strategies and tailor their approach to the needs of each development and its residents.

3. Communications Strategy

The Designated Project Team(s) will work with NYCHA to create and finalize a Communications Strategy for the Cluster(s) and Project(s). This could include, but is not limited to, a press strategy; a strategy for engaging with elected officials; project signage; construction signage and wayfinding on the grounds; housing industry award submissions; and posting updates about the project on webpages and social media.

4. Fair Housing Requirements

The Designated Project Team(s) will be required to comply with the RAD Notice, the RAD Fair Housing and Relocation Notice, and all applicable Federal, State, and local laws, orders, and regulations prohibiting housing discrimination.

5. Schedule

The Designated Project Team(s) must achieve construction closing on the Projects by the timeline established by NYCHA. The Designated Project Team(s) will be responsible for the timely commencement and completion of the Projects, will be held accountable to the schedules outlined in their Proposal and agreed upon with NYCHA, and will be required to submit ongoing status reports both during predevelopment and during construction.

The Designated Team(s) should work on each Project concurrently and must have capacity within their Team(s) to ensure that each Project achieves construction closing within a six-month period.

6. Completion of Conversion Process

The Designated Project Team(s) must achieve the RAD and Section 18 milestones in a timely manner as follows:

- a. Lead required resident engagement;
- b. Complete all required studies, reports, surveys, and evaluations necessary (including environmental review) for both receipt of the RAD Conversion Commitment and the Section 18 disposition approval from HUD as applicable and to secure financing;
- c. For the units converting under RAD, develop a RAD Financing Plan that addresses the 20-year capital needs of the Property converting through RAD, and takes advantage of economies of scale both during rehabilitation and on-going operations;
- d. Satisfying all HUD conditions and conditions in this RFEI for a timely construction closing in accordance with the schedule.

7. Commitment to Entire Project

The Designated Applicant, inclusive of Designated Project Team(s), must commit to rehabilitating and managing all of the buildings and spaces in the Projects.

8. Smoke-Free Housing

The Designated Project Team must adopt a smoke-free policy consistent with NYCHA's Smoke-Free Policy as may be modified from time to time. For more information, please visit:

<https://www1.nyc.gov/assets/nycha/downloads/pdf/nycha-smoke-free-policy-2018.pdf>.

9. Site Improvement and Redevelopment Opportunities

The Designated Project Team(s) must consider improvements to non-residential and otherwise underutilized spaces. Improvements can range from upgrades to landscaping and open spaces to the new construction of affordable or mixed-income housing that increases the number of housing units for NYCHA residents, new community facility or commercial spaces, or a mix thereof. Proposals must respond to community and resident needs as documented by NYCHA or other relevant local planning reports.

The Designated Project Team(s) will be expected to work closely with residents and other relevant stakeholders in crafting and building consensus around a community vision for any redevelopment opportunity contemplated through the Project. If applicable, the Designated Project Team(s) will be expected to host additional charrettes or other community meetings to best understand or demonstrate how the Project will enhance residents' lives. Details of any suggested meetings related to redevelopment must be outlined in the Community Engagement Roadmap.

With respect to facilitating new development and the Proposed Rehabilitation Scope of Work, as-of-right scenarios that do not require land use or zoning actions are preferred. The Designated Project Team(s) should also consider the replacement or relocation of existing on-site assets, including, for example, parking spaces, trash compactors, equipment/supply storage, and play equipment.

The Designated Project Team(s) will closely coordinate with NYCHA to advance any subsequent actions needed to facilitate such improvements and new development.

10. Pre-Closing Certification

The Designated Project Team(s) must submit with their closing documents a certification that the Designated Project Team(s) has no reasonable basis to have knowledge that Life-Threatening Conditions (as defined by HUD) exist in the unit to be added to the HAP contract. The form of the certification will be provided by NYCHA. In order to be added to the HAP contract at closing, a unit must only have a signed PACT lease (including the [PBV Statement of Family Responsibility](#) and [PBV Tenancy Addendum](#)).

11. Violations

The Designated Project Team(s) will work with NYCHA to clear all existing health and safety violations as found on City records or municipal searches prior to construction

closing. Violations that do not relate to health and safety and which cannot be cleared prior to Project conversion must be addressed in the Final Rehabilitation Scope of Work.

12. Property Management

The Designated Project Team(s) will be responsible for operating and managing the Property in accordance with a Property Management Plan to be approved by NYCHA and HDC (the “**Property Management Plan**”), which shall specifically address but not be limited to the following:

- a. The effective and efficient day-to-day operation of each Property;
- b. Completing all applicable tasks or actions related to resident conversion from public housing to Section 8 that remain outstanding at construction closing;
- c. Meeting obligations for building maintenance, financial liabilities, and income and rental guidelines as defined in federal, state, and municipal regulatory documents;
- d. Ensuring that the distribution of superintendent units is in line with applicable code and provides adequate coverage for all units in each Property;
- e. Managing the buildings to ensure continuous NSPIRE compliance;
- f. Promptly responding to maintenance work order requests and resident complaints about the building’s physical condition;
- g. Standing up a work order management system that generates work order numbers for residents that they can easily track, with features including resident satisfaction scoring and sign-off required in order to close out any work order;
- h. Assisting residents with their annual and interim recertifications and acting as a liaison between residents and questions they may have for NYCHA;
- i. Working with NYCHA’s Leased Housing Department (“**LHD**”) to lease all vacant apartments as they become available from a project-based site-based wait list;
- j. Working with LHD to right-size families living in an inappropriate-sized apartment per the Section 8 PBV standards, but based on NYCHA’s public housing occupancy standards for existing residents in place at construction closing;
- k. Recognizing and working with the legitimate resident organizations at each Property to address issues related to the Property;
- l. Including Tenant Participation Activity (“**TPA**”) funds in their maintenance and operation budget at \$25 per occupied unit per year, which shall be directly allocated and funded to the legitimate resident organization at the Property in the Project in accordance with the RAD Notice;
- m. Maintaining detailed rent rolls, financial statements, and other required documents in accordance with NYCHA, HUD, HDC, HPD (if applicable), and/or as may otherwise be required by project financing;
- n. Preparing, maintaining, and submitting detailed reporting regarding the status of on-site repairs and resident legal proceedings to NYCHA on a regular basis
- o. Maintaining Section 8 and RAD compliance in accordance with NYCHA, HUD, HDC, and/or as may otherwise be required by project financing; and,
- p. Offering a pathway for tenants to bolster their credit through paying rent as described below.
- q. How the plan for live-in or off-site supers is compliant with the New York City Administrative Code §§ 27-2053 and 27-2054 and the New York State Multiple Dwelling Law.

- r. Following all guidelines outlined by NYCHA in the grievance procedure and housing stability and retention guidelines in Exhibits G and D, as may be modified from time to time.
- s. Follow all guidelines outlined by NYCHA regarding building signage, construction notices, and general PACT project signage.

The Designated Project Team must dedicate adequate property management staff for each Cluster and building in the Projects, ensuring that service levels are not reduced in smaller buildings within the Projects, buildings within the Projects with unique management needs, or buildings that are geographically farther from other buildings in the Projects and Clusters.

13. 100-Day Plan

In addition to the Property Management Plan, the Designated Project Team must submit deliverables associated with the 100-Day planning process that covers the period 45 days prior to closing and 100 days after. This Plan must detail how the team plans to ramp-up on site presence and familiarity with the specific challenges of the site and be ready to fully assume all responsibility of operations on Day One, along with detailed plans for emergency situations. Components to be covered include but are not limited to:

- a. The plan for staffing up, including how many employees will be ready and on-site on Day One, with details on what hiring will look like following conversion to ensure all the needs of the site are met;
- b. When uniforms and supplies will be ordered and received;
- c. What security measures will be taken to ensure the site is secure, both temporary and permanent (this includes changing of locks);
- d. The plan for implementing the Social Services Plan and when it will be fully implemented;
- e. Day One plans for deep cleaning, waste management, and pest management;
- f. When work order ticket systems will be operational, with checks on the system by NYCHA;
- g. The plan for addressing existing NYCHA work orders starting on Day One;
- h. The plan for addressing high priority work orders, in accordance with NYCHA's federal consent decrees;
- i. How property management staff will shadow and learn existing NYCHA; maintenance systems from NYCHA staff, including systems for heat, hot water, trash compacting, etc.;
- j. When residents will receive rent statements with all the information needed for them to pay rent electronically and in person;
- k. How the Project Team will be prepared for emergency situations such as, loss of heat and hot water, flooding events, and situations involving violence;
- l. Evidence of executed contracts with vendors responsible for servicing major building systems and that those vendors have inspected the site prior to conversion.

14. Post-Conversion Reporting Requirements

The Designated Project Team(s) will be responsible for providing NYCHA and HDC with asset management data and construction period reporting, including but not limited to the

reports detailed in the Asset Management and Construction Reporting Requirements as may be modified from time to time in NYCHA's sole discretion (Exhibit K), plus standard HDC reporting requirements.

15. Resident Stability and Retention Plan

The Designated Project Team(s) will be expected to conduct proactive communication and outreach to households to avoid unnecessary evictions. NYCHA's Real Estate Development Department developed a set of resident retention guidelines as set forth in Exhibit D - Housing Stability and Retention Guidance. The guidelines were created for all PACT Partners and are followed by property management staff at each PACT development. PACT Partners are expected to work directly with residents to respond to their unique circumstances and offer resources based on the household's situation. The Designated Project Team(s) should also utilize their on-site social service providers to conduct outreach and to provide direct assistance.

The Designated Project Team(s) will be required to follow the steps outlined in Exhibit D as their standard operating procedure in coordination with NYCHA following designation. Once implemented, Designated Project Team(s) will provide updates on its outreach and communication efforts through a Legal Proceeding report submitted to the NYCHA Real Estate Asset Management team on a monthly basis.

16. Rent Arrears

The Designated Project Team(s) will purchase one hundred percent of the rent arrears at par from NYCHA at construction closing.

17. Credit Building

The Property Management entity of the Designated Project Team(s) will be required to operate a credit building program. This program must provide tenants the opportunity to opt in, such that they can build their credit through timely payment of their rent if they so desire. It must be provided in partnership with a credit reporting entity that only includes positive rental payments, made within the month after the payment is due, in its reporting. Further, the Designated Project Team(s) must plan to incorporate financial literacy services and outreach efforts to educate tenants about the program as part of the scope of services offered or coordinated by its Social Service Coordinator (as defined herein). Financial literacy services and outreach efforts must be done in partnership with an entity that has a proven track record and/or direct accreditation in financial literacy services related to credit building and financial empowerment. The Designated Project Team(s) will be expected to work with selected social service providers to develop detailed plans, to implement the foregoing requirements and report on participation through its Social Service Coordinator.

18. Existing Community Facilities

Any community center or other community facility space included in the Projects must be renovated, maintained, and operated, as applicable, as part of the Projects. The Designated Project Team(s) will be responsible for the upfront capital repairs on such community centers and community facility spaces, bringing such spaces into code compliance and ensuring such spaces are accurately reflected on existing certificates of

occupancy, which work should be included in the Proposed Rehabilitation Scope(s) of Work.

Any existing community center/facility and/or non-profit leases will be assigned to the Designated Project Team(s) at construction closing. If any providers are operating in a community center/facility space at the Project under an expired lease or no lease, the Designated Project Team(s) must enter into a lease with such operator on a lease template approved by NYCHA and HDC, the final terms of which are also subject to NYCHA and HDC approval. After Project conversion and for the duration of the Designated Project Team's involvement in the Project, if there are new community facility and/or non-profits providers that receive public funding for operation at the Project, the Designated Project Team must offer them a lease on a lease template approved by NYCHA and HDC, the final terms of which are also subject to NYCHA and HDC approval.

19. Tenant Association Space

The Project Team is required to provide the Tenant Association at each Property with an office space and meeting space, including a restroom, in accordance with the most recently approved Citywide Council of Presidents Board [Memorandum of Agreement](#) with NYCHA. This memorandum stipulates that:

“NYCHA will provide the [Tenant Associations] with exclusive use of an office space (that includes restroom facilities in the Development that the [TA] represents or in a neighboring Development as available and as determined by NYCHA, and non-exclusive use of meeting facilities in the Development that the [TA] represents as a first priority, and as a second priority, NYCHA shall remove a unit in the Development that the [TA] represents based on availability and determined by NYCHA, free of charge. The meeting space shall be of sufficient size to accommodate at least 10% of the Development's residents at a Development with 200 or fewer units, at least 50 of the Development's Residents at a development that has between 200-1000 units, and at least 100 of the Development's Residents at a Development that has over 1000 units. Notwithstanding the foregoing, all meeting spaces shall be subject to New York City Fire Department occupancy limitations. Any such access shall be limited to a separate license agreement, which must be executed by the Parties before access is granted.”

In the event that the Memorandum of Agreement is updated after the publishing of this RFEI, the Project Team will be expected to adhere to the most recent Agreement.

20. Retail and Commercial Spaces

Any retail or other commercial tenant space included in the Projects must be renovated, maintained, and operated, as applicable, as part of the Project. The Designated Project Team will be responsible for the upfront capital repairs on the retail and/or commercial spaces, which must be included in the Proposed Rehabilitation Scope of Work. Any existing retail and/or commercial leases will be assigned to the Designated Project Team at construction closing. In advance of signing any new retail and/or commercial leases for vacant or vacated space, the Designated Project Team will be responsible for pursuing

potential tenants in line with the needs of the resident population. Any lease for a new commercial tenant must be reviewed and approved by NYCHA and HDC. The Designated Project Team will purchase one hundred percent of any commercial rent arrears at par from NYCHA at construction closing.

21. Shared Infrastructure

NYCHA developments sometimes share common infrastructure for heating and hot water or waste management, for example. The Designated Project Team will be required to provide unconditional access to NYCHA, its staff, agents, and contractors to any shared infrastructure hosted at the Property. At NYCHA's sole discretion, the Designated Project Team may at its sole cost relocate the shared infrastructure to a property that will remain NYCHA-managed prior to construction closing.

If applicable, any existing leases for third party-owned solar installations will be transferred to the Designated Project Team at construction closing. The Designated Project Team may negotiate with the third party-owned solar lessee to purchase the solar installations and satisfy any remaining debt and obligations associated with system including, but not limited to, the decommissioning of any solar installation. The lease may be amended through the mutual written consent of lessee and the new lessor, with written approval of NYCHA, according to the terms of the lease where applicable.

22. DEP Green infrastructure

The Designated Project Team(s) will be required to meet certain requirements for non-interference with any pre-existing green infrastructure ("GI") installed by the NYC Department of Environmental Protection. The Designated Project Team(s) will also be required to provide access and otherwise cooperate with any green infrastructure projects that are planned, designed, or in construction at the time of construction closing. NYCHA will provide the location of existing and planned green infrastructure projects. Post-closing, the Designated Project Team(s) will, to the extent required, be responsible for maintaining green infrastructure on-site in alignment with the DEP's Standard Designs and Guidelines for Green Infrastructure Practices:

<https://www1.nyc.gov/assets/dep/downloads/pdf/water/stormwater/green-infrastructure/green-infrastructure-standard-designs.pdf>

23. Broadband

The Designated Project Team is required to provide high-quality internet service and install the necessary underlying infrastructure.

Infrastructure: The broadband infrastructure should consist of a wired connection point in each dwelling unit through which each resident can have secured access through a unique profile, with a preferred system capacity of at least 300 Megabits per second (Mbps) upload and download speed, per unit. Service should be provided in common areas and shared spaces, providing mobile use throughout the buildings and campus. The network infrastructure must be robust and designed with flexibility to meet current and future demands on the system.

Control: The Designated Project Team must retain ownership of network infrastructure within the building and consider a managed system, wherein a third-party internet service provider (ISP) provides customer service, network diagnostics, billing, and other services to the end user.

Level of Service: A level of service of at least 300 Mbps per unit should be fully subsidized for residents at each unit electing to participate through the property operating budget. Residents should be given the option to enhance their individual level of service at their own cost up to and beyond 300 Mbps.

If an existing provider is in place, the Designated Project Team will, at NYCHA's election, either maintain the existing contract or improve the service available. Residents should be given the opportunity to opt out of the updated Broadband service at their election. Any such election should be documented by the Designated Project Team.

Proposed Budget: Applicants should assume upfront costs to build out broadband infrastructure and allocate a per unit annual cost to fund broadband on an ongoing basis.

24. Security

The Project Team should create a robust security plan that prioritizes the health and safety of NYCHA residents. The Designated Project Team's operating and management budgets should include a line for security-related items (as identified in the Underwriting Template) based on the Project Team's assessment of how much it will cost to provide a security plan accomplishing the following goals:

- a. Adequate guard coverage;
- b. Upgrades to the CCTV infrastructure, where applicable;
- c. A mechanism to alert FDNY of any emergency calls from elevator cabs;
- d. A communication protocol, or 'tip hotline,' for resident outreach, and a means to communicate these concerns directly to the appropriate authority;
- e. Support for 'resident watch' efforts, inclusive of (1) funds to support light equipment or other resources for volunteers, as well as (2) continued employment, including comparable wages and benefits, to any resident watch supervisor(s) under NYCHA's employment at the time of conversion;
- f. Means for data collection; and
- g. Funding to reimburse NYCHA for the utilization of the existing equipment during the interim conversion period.

Security plans should be included as part of the Property Management Plan, in which a schedule should detail the planned transition from NYCHA security (personnel and equipment utilization) to the new system.

B. Environmental Hazards

1. HUD Agreement

HUD, NYCHA and the City entered into an Agreement on January 31, 2019 (the “**HUD Agreement**”). The HUD Agreement establishes a framework by which NYCHA will continue to evaluate and make progress towards compliance with federal requirements, including amongst other things, compliance with lead-based paint abatement regulations. During the term of the HUD Agreement, an independent monitor will be in place with access to NYCHA information and personnel and will issue quarterly reports on NYCHA’s compliance with the HUD Agreement. A link to the HUD Agreement is below: [nycha-monitoring-agreement.pdf](#)

2. **Lead-Based Paint**

The Designated Project Team is required to comply with NYCHA’s policies for lead-based paint testing, abatement and hazards control, as set forth in Exhibit N – PACT Design and Construction Requirements, as well as all applicable federal, state, and local laws concerning lead-based paint and lead hazards, including NYC Local Law 1 of 2004 as may be amended, NYC Local Law 31 of 2020 as may be amended and federal regulations per 24 CFR Part 35 and 40 CFR Part 745.

The PACT Lead Procedures require that the Property be tested for lead-based paint and abatement via removal will be required to remove all lead-based paint identified. The Designated Project Team(s) must account for the cost of abatement in the Rehabilitation Scope(s) of Work and may not defer abatement or pay for abatement through replacement reserves. NYCHA will provide the Finalist Applicants and Designated Project Team(s) with existing and ongoing lead-based paint test results and other related information, as available. The Designated Project Team(s) will be required to complete any lead-based paint testing not provided by NYCHA.

NYCHA may amend the PACT Lead Procedures and require the Designated Project Team(s) to meet additional lead-based paint and lead hazard requirements at any time in NYCHA’s sole discretion.

3. **Mold and Moisture Control**

The Designated Project Team is required to comply with NYCHA’s policies for mold and excessive moisture, as set forth in Exhibit N – PACT Design and Construction Requirements, as may be updated by NYCHA. The PACT Mold Procedures are intended for consistency with *Baez v. NYCHA*, No. 13 Civ. 8916 (“**Baez**”), specifically that certain “**Agreement Regarding Settlement of Section 8 Claims**” entered on December 20, 2021, 2021 WL 6125802, S.D.N.Y., Dec. 28, 2021, and the HUD Agreement. Among other things, the Designated Project Team must conduct comprehensive inspections as part of the predevelopment process to identify mold and moisture issues, address underlying sources of mold and leaks as a part of the Final Rehabilitation Scope of Work, and prepare and operate the Property in accordance with an approved Mold Operations and Maintenance Plan (“**Mold O&M Plan**”).

The Designated Project Team must account for the cost of addressing underlying sources of mold and leaks in the Final Rehabilitation Scope(s) of Work and may not defer the performance of the work to remove and correct the root causes of such mold and leaks

either through funding of replacement reserves or any other means. Prior to closing the financing of the Project, after selection of the Designated Project Team, NYCHA will provide the Designated Project Team(s) with existing mold and leak work orders and other related information, as available. The Designated Project Team will be responsible for ensuring that all mold and leak work orders open at the time of conversion are addressed in a timely manner following the conversion.

Pursuant to the Agreement Regarding Settlement of Section 8 Claims referenced above, NYCHA requires, among other things, PACT Partners to remediate resident mold and excessive moisture complaints made after closing within thirty (30) days after receiving the complaint and to investigate and abate flooding complaints made after closing within twenty-four (24) hours of receiving the complaint, and to remove standing water within forty-eight (48) hours, unless a longer remediation and/or repair schedule is warranted based upon the specific circumstances of the complaint. In those instances, the PACT Partner may submit a proposed alternative repair schedule (“**ARS**”) to NYCHA for review and approval. The “Ombudsperson” appointed by the Court in Baez to consider resident complaints as to mold remediation will also receive the ARS for review. Additionally, to ensure accountability, all residents at PACT project sites can file complaints with the Ombudsperson through the Ombudsperson Call Center (“**OCC**”), and an Independent Mold Analyst (“**PACT IMA**”) has been appointed to conduct a statistically significant number of inspections of work resulting from resident mold and leak complaints.

NYCHA may amend the PACT Mold Procedures and require the Designated Project Team to meet additional mold and leak requirements at any time in NYCHA’s sole discretion.

4. Asbestos Containing Materials

The Designated Project Team is required to comply with NYCHA’s policies for asbestos containing materials (“**ACM**”), as set forth in Exhibit N – PACT Design and Construction Requirements. This includes but is not limited to surveying, planning, and handling ACM in compliance with federal, state, and local requirements.

To be consistent with the most stringent standards, PACT projects will abate impacted ACM during the construction period. The removal and/or abatement of ACM from structures must occur in strict compliance with federal, state, and local regulations.

NYCHA may amend the PACT ACM Procedures and require the Designated Project Team to meet additional ACM requirements at any time in NYCHA’s sole discretion.

5. Radon

The HUD Supplement to the RAD Notice amended the RAD Notice to ensure all projects are evaluated for radon and removed exemptions previously accepted under the RAD Notice. Therefore, all PACT Projects must conduct radon testing as required in HUD’s Multifamily Application Processing Guide, dated 03/24/2021, (“**MAP Guide**”). This includes testing of 100% of ground floor units and 10% of upper floor units in all buildings included in the PACT Project.

The Designated Project Team is required to comply with NYCHA's policies for radon assessment and mitigation, as set forth in Exhibit N – PACT Design and Construction Requirements.

NYCHA may amend the PACT Radon Procedures and require the Designated Project Team(s) to meet additional radon requirements at any time in NYCHA's sole discretion.

C. Social Service Coordination and Social Service-Related Requirements

The Designated Project Team is required to comply with NYCHA's Social Services Requirements, as set forth in Exhibit J – Social Services Requirements.

NYCHA seeks to improve residents' quality of life not only through extensive physical rehabilitation and enhanced property management services, but also through access to social services and resources – both on-site and through resident referrals to off-site organizations and services. PACT provides a unique opportunity to enhance and provide additional services and community programming to NYCHA residents.

Following designation, the Designated Project Team(s) will work directly with NYCHA's Portfolio Planning and Community Development teams to develop a service coordination model for their project, conduct a resident needs assessment, and develop a formal social service plan tailored to the unique characteristics of the development. The service coordination model must include an on-site presence at the PACT development and the selection of a lead service coordinator to oversee the delivery of services for all residents. However, teams are also encouraged to identify and partner with existing providers currently serving the community or capable of delivering services. The Designated Project Team's social service plan must include a proposed budget, detailed performance metrics, and methods for ongoing program assessment and adjustment.

D. Design & Construction Requirements

1. Rehabilitation Scope of Work

Finalist Applicants will be required to review the provided Rehabilitation Scope of Work and Basis of Design and submit a Proposed Rehabilitation Scope of Work and Financial Plan that, at minimum, addresses the Baseline Requirements, and further may include Betterments, while minimizing subsidy. Once selected, the Designated Project Team(s) will collaborate with NYCHA, residents, and other stakeholders to further develop the Proposed Rehabilitation Scope of Work.

The Designated Project Team will be required to confirm that the Proposed Rehabilitation Scope of Work fully addresses the critical repair needs of the Property as well as NYCHA's goals for design excellence, sustainability, and resiliency outlined in Exhibit Q - Basis of

Design, which will be made available to Finalist Applicants. Finalist Applicants may deviate from the Basis of Design and adjust or modify the Rehabilitation Scope of Work as they deem appropriate, noting changes within the document(s).

Existing improvements that have been made using City capital funding will need to remain in place for the useful life of such improvements. If such improvements exist at the Property they will be identified to the Designated Project Team.

The Designated Project Team may be required by NYCHA to update and amend the Proposed Rehabilitation Scope of Work throughout pre-development based on the results of apartment and building inspections, resident feedback, and funding availability. Prior to financial closing, the Designated Project Team will be required to submit a Final Rehabilitation Scope of Work, subject to NYCHA and HUD approval.

2. Early Implementation Projects

The Designated Project Team shall identify projects for early implementation before the Project Closing that will not delay the predevelopment period but will improve residents' quality of life. Examples of early implementation projects include: the hiring of security guards, fixing broken doors and locks, purchasing parts for systems that often break, repairing intercom systems, and more. Funding for these interventions will be determined by an informed process relying on on-site investigations, a review of existing challenges as identified by NYCHA staff, and through engagement with residents.

3. Physical Needs Assessment (“PNA”)

RAD requires that all capital repair needs of the Properties be fully addressed. NYCHA focuses on the twenty (20) year physical needs to inform the appropriate rehabilitation scope of work for all PACT conversions. A detailed breakout of the 20-year physical needs for each Property based on the NYCHA PNA technical reports is included as Exhibit B – 2023 Physical Needs Assessment Costed Action Report.

4. Design Guidelines

The Proposed Rehabilitation Scope(s) of Work must conform to the Basis of Design, the Zoning Resolution of the City of New York, effective as of December 15, 1961, as amended to date, and as the same may be amended (the “**NYC Zoning Resolution**”), the NYC Construction Codes, and all other applicable laws and regulations. The Designated Project Team should consider the priorities identified in the PACT Design and Construction Requirements (see Exhibit N), NYCHA Design Guidelines, the NYCHA Connected Communities Guidebook, the NYCHA Sustainability Agenda, and the NYCHA Climate Mitigation Road Map as they develop their proposals.

- a. PACT Design and Construction Requirements: Exhibit N to this RFEI
- b. The NYCHA Design Guidelines: <https://designguidelines.nycha.info>
- c. The NYCHA Connected Communities Guidebook can be found here: <https://www1.nyc.gov/assets/nycha/downloads/pdf/Connected-Communities-Guidebook.pdf>

- d. The NYCHA Sustainability Agenda can be found here:
https://www1.nyc.gov/assets/nycha/downloads/pdf/NYCHA_Sustainability_Agenda.pdf
- e. The NYCHA Climate Mitigation Road Map can be found here:
<https://www1.nyc.gov/assets/nycha/downloads/pdf/NYCHA-LL97-Whitepaper.pdf>

Consistent with the Connected Communities Guidebook, Applicants should consider strategies that enhance the overall quality of life and provide new amenities and resources for NYCHA residents. For example, Applicants should consider improvements to existing amenities and should evaluate creation of new amenities including open spaces, community centers and community facilities, community-serving retail spaces, and affordable housing. Applicants should propose site plans and enhanced site infrastructure that better connects residents to transportation and general mobility infrastructure and services.

The Designated Project Team will meet with NYCHA throughout predevelopment and will be responsible for submitting final construction documents to NYCHA, which shall conform to previous approvals and review comments made by NYCHA. The Designated Project Team will be responsible for obtaining any and all building and/or construction permits or approvals required by the City, NYCHA, lenders or other relevant parties that are necessary to achieve closing and complete the Project.

5. On-Site Temporary Moves

Applicants should assume that the Rehabilitation Scope(s) of Work will require on-site temporary moves for all households. Further site investigations may find that tenant-in-place rehabilitation strategies are appropriate in some instances. As such, on-site relocations should be initially assumed, but Project Teams are free to propose strategies as they deem appropriate.

Any temporary resident relocation will be the responsibility of the Designated Project Team, including, without limitation, obtaining any necessary service providers to facilitate temporary relocation and covering all associated costs. A temporary relocation plan is required for all Projects and will be subject to NYCHA's approval and be in accordance with all applicable legal requirements. The Designated Project Team will be required to submit a temporary relocation plan and resident-facing guide, tenant protection plan and construction logistics plan, in all cases subject to NYCHA approval, that detail any temporary resident relocations to address pertinent health issues, especially those of senior residents, that may arise during construction.

6. Accessibility

In December 2021 NYCHA and HUD entered into an agreement known as the *Assurances by the New York City Housing Authority Regarding Compliance with Federal Accessibility Requirements and Standards in PACT/RAD Conversions* (see [Exhibit N – PACT Design and Construction Requirements](#)). The Final Rehabilitation Scope(s) of Work must comply with the accessibility requirements of the PACT FHEO Assurances Agreement along with all applicable laws including, without limitation, to the New York City Building Code, the

Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973.

7. Environmental Review

The environmental review process provides a means for public agencies to systematically review proposed discretionary actions to analyze the effect a proposed project will have on the people and the natural environment within a designated project area and the effect the material and social environment may have on a project. Pursuant to 24 CFR Part 58, HUD environmental review and signoff for NYCHA actions is delegated to a local agency that acts as the “Responsible Entity” for National Environmental Policy Act (“**NEPA**”) review. The New York City Department of Housing Preservation and Development (“**HPD**”) serves as the Responsible Entity for NYCHA’s NEPA environmental reviews. NYCHA is a New York State public-benefit corporation; therefore, NYCHA’s disposition action is also subject to State Environmental Quality Review Act (“**SEQRA**”). In addition, the issuance of construction funding or permitting from a New York City agency such as HPD or HDC are discretionary actions subject to City Environmental Quality Review (“**CEQR**”).

The Designated Project Team is expected to be familiar with the environmental review requirements applicable for RAD projects, which can be found at:

<https://files.hudexchange.info/resources/documents/Environmental-Review-Requirements-for-RAD-Transactions.pdf>

8. Historic Preservation

The Designated Project Team is responsible for any required mitigation of adverse impacts or adverse effects to historic and cultural resources that are determined to be eligible, or are listed, on the National Register of Historic Places as such terms are further explained in The National Historic Preservation Act codified at 54 U.S.C. §§ 300101 et. al. and 36 CFR Part 800, and the New York State Historic Preservation Act of 1980 as codified at New York State Parks, Recreation and Historic Preservation Law Article 14, if applicable. Any substantial changes to cultural or historic resources require consultation with the State Historic Preservation Office (“**SHPO**”) of the New York State Office of Parks, Recreation and Historic Preservation in accordance with the New York State Historic Preservation Act of 1980 (See Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law) in order to explore potential measures that would avoid, minimize or mitigate any adverse impacts or adverse effects to cultural and historic resources as guided by the Secretary of the Interior’s Standards for Rehabilitation.

Furthermore, NYCHA and SHPO have entered into a Programmatic Agreement (“**PA**”) that can be found here:

<https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/nycha-section-106-programmatic-agreement.pdf>

Some of the Developments in each Cluster are identified in the PA as National Register Listed. For more information about which projects are assumed eligible for historic tax credits, see [Exhibit A – Property Profile](#).

E. Ownership and Control

NYCHA will convey the Property to the Designated Project Team(s) through a long-term 99-year lease agreement for the land and buildings and other improvements on the Property (the “**Lease**”). NYCHA will reserve approval and removal rights as the landlord under the Lease. NYCHA will also require the Designated Project Team(s) to enter into additional agreement(s) to memorialize resident rights, guarantee long-term affordability, and to satisfy any additional NYCHA, HDC, HPD (if applicable) and/or HUD requirements.

F. Financing and Fee Requirements

NYCHA and HDC will determine, and HDC will arrange, the financing structure for the Projects. Financing for the Projects, as demonstrated in Competitive Proposals, must incorporate the items detailed below.

1. Underwriting Guidelines and Underwriting Template

The PACT underwriting guidelines will be shared with Finalist Teams as [Exhibit S](#) (the “**Underwriting Guidelines**”) and the underwriting template will be included within [Exhibit I](#) (the “**Underwriting Template**”). The Projects must reflect the Underwriting Guidelines and the Underwriting Template instructions, interest rate, amortization, rental assumptions, unit mixes, and the disposition methods unless otherwise instructed. The Designated Project Team will be required to revise underwriting assumptions as requested by NYCHA and HDC.

2. Proposed Financing Structure

Sources and uses must balance. To the extent the sources that are proposed are not fully committed at the time of designation, the Designated Project Team must accept the risk for securing and/or providing replacement funds if needed. The priority for all cash flow distributions should be first and foremost to meet the capital needs of the Projects, while minimizing the need for City subsidy.

3. City Subsidy

The priority of the PACT program is delivering comprehensive repairs for residents. To the extent the proposed scope of repairs cannot be funded by available financial sources, the Designated Project Team may show a gap in the project sources, which would potentially be funded by requesting City subsidy. Proposals that minimize the use of City subsidy, while meeting the full capital needs of the Projects, will be reviewed favorably. In the event of a financial gap, the Designated Project Team must provide a narrative description of how it would modify the proposed scope to close the financing gap.

If requesting City Subsidy, the following should be considered:

1. If City subsidy is required, a higher percentage of applicant and/or third-party equity may be required.
2. If projects contemplate City subsidy, an upfront acquisition payment should not be proposed.

4. Low-Income Housing Tax Credits (“LIHTCs”)

The financing structure for any PACT rehabilitation funding cannot rely on 4% or 9% LIHTCs.

5. Historic Tax Credits (“HTCs”)

If determined to be eligible, the financing structure for a PACT rehabilitation funding may assume State and/or Federal HTCs. If the Designated Project Team’s proposed financing structure utilizes HTCs, a developer equity contribution is still required. Use of HTCs is subject to Local, State and Federal approvals.

6. Rent Levels

- a. For the purpose of submitting a Proposal, Applicants must assume the provided RAD /Section 18 blend rents for all income-producing units. The Designated Project Team should not adjust these rental assumptions unless NYCHA provides specific direction to do so. NYCHA may provide revised rental assumptions at any time
- b. **“Over-Income”** Households: Since the Project is a combination of RAD and Section 18 conversions, the RAD Notice extends certain RAD Resident Protections to the households converting under Section 18, including that current households cannot be excluded from occupancy at the Property undergoing conversion based on any rescreening, income eligibility, or income targeting. Current public housing residents in the converting Property will not be rescreened for admission to the Section 8 program. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit and such unit will be placed on the applicable Section 8 PBV HAP Contract and such over-income household will have the right to remain in an assisted unit at the converting Property and pay no more than 30% of adjusted gross income as rent. Adjustments to the rental assumptions in the Underwriting Template should not be made to account for Over-Income household assumptions.

7. Developer Fee

- a. The Designated Project Team should assume that NYCHA receives 50% of the developer fee, if applicable, and should seek to maximize the ongoing annual cash flow return to NYCHA.
- b. The total developer fee (inclusive of the share to NYCHA) will be limited to 10% of total development costs, excluding acquisition, existing debt, developer fee, and reserves, conforming to the requirements of the RAD Notice, as will be specified in the executed Conditional Designation Letter (the **“CDL Proposal”**). The structure and timing of release of the developer fee will be subject to lender approval.

8. Additional HUD Requirements

HUD may require, and NYCHA may pursue, a recalculation of rent levels to meet HUD requirements and maintain the financial strength and long-term stability of each Property.

9. Equity

- a. A material equity contribution from Applicant and/or third-party “Preservation” equity as compared to the total development cost, less existing debt, developer fee and reserves will be required.
- b. Equity should be sized based on a reasonable return expectation given the net cash flow to the project. If City subsidy is required, a higher percentage of Designated Project Team and/or third-party equity may be required.
- c. Any third-party providing equity to the Designated Project Team (“Third-Party Equity Partner”), which is not a Pre-Qualified Partner, will exclusively be allowed to participate in the ownership structure as a non-controlling/non-managing member. Third-Party Equity Partner(s) must only be involved in a Project to the extent such involvement directly relates to its role as a non-controlling/non-managing member. In cases where Third-Party Equity is generated through a federal, state, or local tax credit program, such equity must have a minimum investment period that complies with the applicable tax credit program requirements.
- d. Any equity generated through a federal, state or local tax credit program is not considered Applicant and/or third-party equity for purposes of this section.

10. Payment and Performance Bond

General Contractors must provide a 100% Payment and Performance Bond, acceptable to HUD, NYCHA, HDC, and other lender approval. This must cover the entirety of the Final Rehabilitation Scope of Work, made by a credit-worthy entity satisfactory to NYCHA and HDC.

11. Guarantees

The Designated Project Team will be responsible for all financial guarantees and non-recourse carve outs necessary to complete the Projects, including, without limitation, those required by HDC, or any other lenders or financing partners. In addition, the Designated Project Team will be responsible for providing to NYCHA and HDC an environmental indemnification, a completion guaranty, and any other applicable guarantees.

12. Acquisition Cost

Until an appraisal is completed, the “Acquisition Cost” should represent the capitalized net operating income from the first year of stabilized operations (“**NOI**”), less the lesser of (1) the Developer Hard Costs, or (2) the HUD Housing Construction Costs (“**HCC**”).

Assume a 5.25% cap rate. The HUD HCC can be found here:

https://www.hud.gov/sites/dfiles/PIH/documents/2024_Units_TDC_Limits.pdf

13. Upfront Acquisition Payment

If funds are available, an upfront acquisition payment to NYCHA should be provided. If the Project contemplates City subsidy, an upfront acquisition payment should not be proposed.

14. Seller Note

To the extent funds are not available to fully compensate NYCHA for the Acquisition Cost, a “Seller Note” representing the Acquisition Cost, less the upfront acquisition payment, any applicable debt, and any applicable payments for arrears, is required from the Developer (or its affiliated entity) in favor of NYCHA. The term and rate of the Seller Note shall match the term and rate of the permanent loan.

15. Return to NYCHA

The ongoing annual returns to NYCHA should not be less than a 50% contribution of annual cash flows. No upfront lease payment or cash acquisition payment to NYCHA will be required when the Project relies on City subsidy. For a Project that does not contemplate City subsidy, a financial return to NYCHA will be viewed favorably.

16. NYCHA Fees and Costs

- a. Annual Administrative Fee: The greater of \$100,000 or \$100 per dwelling unit shall be provided to NYCHA for certain property management services to cover the costs of compliance, asset management, and accounting, subject to annual 3% escalations.
- b. Utility Management Fee: All utilities, excluding electricity, will be transferred to owner’s account at closing. NYCHA will continue to hold the electricity account for the Project at Developer’s election. The Developer will be responsible for the following:
 - i. A fee to NYCHA of \$30 per unit per year, with a 3% annual increase in the 1st quarter of each calendar year starting after the first full year of operations. This fee is to compensate NYCHA for its role as the electricity administrator and is to be paid in quarterly increments (the “**Utility Management Fee**”). Each discrete Commercial and/or Community Facility space(s) should be included and viewed as one respective unit for the purposes of this calculation;
 - ii. A quarterly payment covering all electricity costs incurred that quarter to be paid to NYCHA (the “**Utility Payment**”);
 - iii. A reserve (the “**Utility Management Reserve**”) that should be initially sized off of (1) a half-year (two quarter) average of the trailing year’s electricity costs plus (2) a half year (two quarters) of Utility Management Fees, which is to be funded in full at closing. Quarterly, the Utility Management Reserve will be drawn down by NYCHA and replenished by the Utility Payments and Utility Management Fee. This reserve can be a component of the total Operating Reserve.

To maintain NYCHA’s rates, these bills must be paid promptly on a quarterly basis.

- c. Existing Debt and Bonds: NYCHA must be repaid for all outstanding balances on expended and capitalized bond proceeds and debt as detailed in the Underwriting Template.

- d. Section 8 Transition Fee: Include a one-time Section 8 Transition Fee of at least \$150 per public housing unit to cover the programmatic expenses associated with the transition of these units to Section 8, including on-site property management transition, back-office conversion tasks, and NSPIRE inspections.
- e. Predevelopment Costs: NYCHA must be repaid for any and all predevelopment expenses, including, but not limited to, fees for retaining outside legal counsel, environmental consultants, RAD CNAs, Obsolescence Reports, resident technical assistance or services, and appraisers.
- f. Resident Technical Assistance and Legal Assistance Fee: The Designated Project Team will be responsible for paying a fee to the PACT Resource Team to provide residents and resident leaders with technical assistance. The Designated Project Team will also be responsible for providing residents with free legal services in connection with the Project in order to ensure a smooth transition to the Section 8 program, including legal consultation on the new Section 8 leases residents will be required to sign prior to closing. NYCHA will decide which legal services provider will be selected to provide services at each development.
- g. Independent Mold Analyst: NYCHA must be repaid for a third-party independent mold analyst required for all PACT projects pursuant to the Agreement Regarding Settlement of Section 8 Claims.
- h. Lead Monitor: If applicable, NYCHA must be repaid for a third-party lead monitor in accordance with the Lead Action Plan that has been approved, as required by the 2019 HUD Agreement.
- i. NYCHA Construction Monitor: Third-party construction representative for NYCHA who attends monthly/bi-weekly meetings and performs spot-check inspections including walk-throughs of completed units. This is a separate scope of work and line-item as the bank's engineer.
- j. NYCHA Tax Consultant Fee: Assume a \$15,000 annual NYCHA Tax Consultant Fee, escalated at 3%.
- k. Organizational Costs: The Designated Project Team must assume that it is responsible for general organizational costs including fees charged by New York State Division of Corporations, annual audit and account fees, and other fees charged by agencies of New York State or the City of New York.

17. NYCHA Purchase Option

NYCHA will require that NYCHA have a purchase option on a Designated Project Team's leasehold interest in the Property and any member's equity interest in the Project Team entity. NYCHA will provide the terms of the purchase option. For the avoidance of doubt, such purchase option will be in addition to NYCHA's right to remove any or all members of the Designated Project Team at any time due to failure to comply with the terms of the agreements or meet the standards for performance required thereunder.

18. Residential Property Taxes

Tax benefits will be available through a negotiated Payment In Lieu of Taxes ("PILOT") agreement between NYCHA and the City. The Designated Project Team may assume that \$0 in PILOT payments are due as long as the Property serves households (exclusive of existing residents in place at closing) with incomes at or below 80% of AMI, subject to

any PILOT payments that may be imposed for community facility or commercial tenants. Commercial units will be subject to standard applicable real estate taxes based on the applicable formula.

19. Taxes and Fees

The Designated Project Team will be solely responsible for paying all transfer and recordation taxes and fees associated with Project financing, leasing, or other conveyance of the Property or any required federal, state, or municipal approvals. The Designated Project Team is responsible for payment of all predevelopment cost(s) and meeting any other terms and conditions as required by HUD, NYCHA, HDC, other lenders, and/or investors.

20. Future Refinancing

NYCHA and HDC approval is required for any refinancing or restructuring of permanent debt.

21. RAD/Section 18 Threshold Test

The Designated Project Team must ensure that the Rehabilitation Scope(s) of Work meets or exceeds the applicable HCC requirements in the RAD/Section 18 blend underwriting scenario (i.e. exceed 90% HCC in order to achieve a 90% Section 18 and 10% RAD blend). The applicable HCC and TDC calculator will be included in Exhibit S - Underwriting Templates.

22. Developer Return Requirements

NYCHA understands that sources and uses will shift between the time of Proposals and construction closing. The Designated Project Team should advise NYCHA of any updates to its minimum return requirements, as outlined in Exhibit S - Underwriting Templates "Project Team Summary" tab. The Designated Project Team must clearly specify its return requirements in Exhibit S - Underwriting Templates as it relates to equity contributed.

23. Tenant Participation Activities ("TPA") Funding

Per the RAD Notice, an annual resident participation fee of \$25 per unit must be accounted for in the management and operations budget. In some cases, NYCHA may have unused TPA funds that it will transfer to the Designated Project Team at construction closing to be provided to the resident association at the project.

24. Social Service Provision Budget

See Section (IV)(C) for detail on the required Social Service Reserve and annual funding requirements. The annual Social Services budget should be reflected within the management and operations budget within Underwriting Template.

G. Project Labor and Employment Provisions

1. Davis-Bacon prevailing wage requirements

The Davis-Bacon prevailing wage requirements (prevailing wages, the Contract Work Hours and Safety Standards Act, and other related regulations, rules, and requirements) will apply to the Work that qualifies as “Development” as set forth in the RAD Notice. Per Section 1.4.A.14 of the RAD Notice, “‘Development,’ as applied to work subject to Davis-Bacon requirements on Section 8 projects, encompasses work that constitutes remodeling that alters the nature or type of housing units in a PBV or PBRA project, reconstruction, or a substantial improvement in the quality or kind of original equipment and materials, and is initiated within 18 months of the Housing Assistance Payment (“HAP”) Contract.”

2. Wage standard for building service employees

NYCHA has adopted the wage standard of 80% of prevailing wage, including supplemental benefits, for building service employees on PACT projects post-closing. As such, initial compensation and benefits shall be set at 80% of the prevailing wage schedule for building service workers per the City of New York Office of the Comptroller (the “Building Service Prevailing Wage Schedule”) at the time of closing and shall be adjusted in future years according to contract renewal negotiations, which adjustments shall use as a floor of 80% of the Building Service Prevailing Wage Schedule in effect at the time of such adjustments. Supplemental benefits, including the provision of Affordable Care Act compliant health-coverage, shall commence no later than 90 days after an employee’s hire.

3. Wage standard for security workers

Employees performing security services, including fire watch guards, whether employed directly by the Designated Project Team (including the property manager) or a third party contractor, shall be paid no less than 100% of prevailing wage, including supplemental benefits, for security workers, as established by the Comptroller of the City of New York pursuant to Article 9 of the New York State Labor Law. Supplemental benefits, including the provision of Affordable Care Act compliant health-coverage, shall commence no later than 90 days after an employee’s hire.

4. Labor relations

The Designated Project Team is expected to maintain harmonious and successful labor relations.

5. Section 3 of the Housing and Urban Development Act of 1968 (“Section 3”)

Section 3 of the Housing and Urban Development Act of 1968 12 U.S.C. 1701u and 24 CFR Part 75 represents HUD’s policy to ensure that employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons. Employment preferences under Section 3 are targeted to low- and very low-income (a) residents of public housing or Section 8 assisted housing (RAD requirement), (b) workers within the service area or the neighborhood of the project, and (c) YouthBuild participants, or workers employed by a Section 3 business concern. Section 3 applies to the Work as identified in the RAD scope of work. Section 3 business

concern must meet one of the following criteria in the last 6 months: (i) It is at least 51 percent owned by low- or very low-income persons; (ii) Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or (iii) It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing. Proposals from Project Teams with a demonstrated record of, and/or especially thoughtful plans for, providing robust Section 3 opportunities will be viewed favorably.

The Section 3 guidance is subject to change at any point in time at the discretion of HUD and/or NYCHA.

6. Resident Hiring, Training and Economic Opportunities

Pursuant to NYCHA's goal of generating economic opportunities for its residents, the Designated Project Team must submit a plan for providing training and employment to NYCHA residents during construction and the long-term operation of the Property. The Designated Project Team shall sponsor and train NYCHA residents for construction, property management, and social service employment opportunities consistent with HUD Section 3 and NYCHA requirements.

The Designated Project Team shall collaborate with NYCHA's Resident Economic Empowerment and Sustainability Department ("**REES**") to finalize an agreed upon training and hiring plan known as the Section 3 and Resident Economic Opportunity Plan (the "**Section 3 REO Plan**") that is consistent with applicable HUD Section 3 and NYCHA requirements. REES provides training opportunities and manages partnerships with external workforce development and vocational training providers that can serve as a referral source. REES referrals can be included as one source of recruiting qualified NYCHA residents for employment.

The Designated Project Team shall include a provision in its subcontractor bids that requires training and employment opportunities for qualified NYCHA residents consistent with this paragraph. Proposals with a comprehensive training plan and higher number of new hires of NYCHA residents and low-income individuals at higher wages will be viewed favorably.

7. Compliance

Between the construction closing and construction completion, the Designated Project Team will report all recruitment and hiring activities, compliance with Davis Bacon, and compliance with Section 3 to NYCHA, on forms reasonably acceptable to NYCHA, on a monthly basis. Following the construction completion, the Designated Project Team will continue to report all recruitment and hiring activities and compliance with Davis Bacon and Section 3 to NYCHA on a monthly basis.

8. NYCHA Staff Redeployment

The Designated Project Team must ensure that NYCHA property management staff assigned to the Property prior to conversion are provided the opportunity to apply for positions with the new property management company and given a right of first refusal for

new positions for which they are qualified. Any staff members who do not elect to remain at the Property after conversion may be, if desired, redeployed to other NYCHA public housing developments at construction closing.

H. Other Provisions

1. Affordability Requirements

The Properties must be operated as affordable housing for the duration of the Lease with new occupancy post-closing restricted to households earning 60% of AMI and below, or as otherwise outlined in the HDC Regulatory Agreement. Affordability requirements will be memorialized in certain recordable documents that will encumber the Properties, including an HDC Regulatory Agreement, a NYCHA Regulatory Agreement, and a RAD Use Agreement with a Section 18 Rider for units converting to project-based voucher assistance under RAD, and under Section 18 as applicable.

2. Establishment and Administration of Wait List

NYCHA will maintain a site-based waitlist of Section 8 applicants for units as they become vacant upon and after conversion. The site-based wait list will be created and managed in accordance with NYCHA's Section 8 Administrative Plan.

3. Mandatory Insurance Coverage

The Designated Project Team must adhere to all requirements included in NYCHA's Insurance Requirements Guide attached hereto as Exhibit H. A projected insurance budget should be reflected in the Finalist Applicant's Financial Proposal. The Designated Project Team must also satisfy all HDC and other lender insurance requirements.

4. Development Rights/Carve-Outs

NYCHA will retain all existing, ongoing, and future development rights at the Properties not required for existing improvements at the Properties or the new construction sites. These include, but are not limited to, development rights created in the future pursuant to any rezoning of any portion of the Properties or created under the transaction or by the addition of parcels to the zoning lot as further set forth in the Lease or other Project documents, all of which rights will remain vested in NYCHA and the use of which is in NYCHA's sole and absolute discretion. The Designated Project Team will have no approval rights over NYCHA's use of such development rights-

In addition, NYCHA reserves the right to carve out from the Properties certain unimproved or non-residential parcels of land that it may use for future development. The area to be leased to the Designated Project Team will generally consist of the entirety of the Property, but NYCHA will reserve the right through Project documents to recapture parcels in the future at its sole and absolute discretion that: 1) do not compromise the functioning of the Properties as Section 8 housing; 2) do not affect compliance of the Property as relates to the NYC Zoning Resolution, NYC Building Codes, Multiple Dwelling Law, or otherwise address proposed non-compliances; 3) do not adversely affect the property finances by reducing the debt services coverage ratio to below financing requirements due to lost revenue from parking or otherwise; 4) compensate the PACT Component for the

depreciated value of improvements made to the parcels through the PACT program and throughout the duration of the lease; and 5) do not impact the new construction sites.

The Designated Project Team will not have a right of first refusal on any future development outside of the new construction sites at the Property, though NYCHA, at its sole and absolute discretion, could determine that it is beneficial for the Designated Project Team to be involved in future development. Parcels will be recaptured at no cost to NYCHA other than for coverage of reasonable legal costs and depreciated value of improvements as previously described. The Designated Project Team and its lenders agree to cooperate fully with NYCHA on the recaptures. Prior to conducting predevelopment work, including ordering appraisals and surveys, the Designated Project Team will confirm the anticipated dimensions of the recaptured area.

VII. DEFINITIONS

All terms, unless defined otherwise in this RFEI, are as defined in the RAD Notice. Terms not defined elsewhere are defined as follows:

Basis of Design

The Basis of Design outlines design standards and performance requirements that are applicable to the Proposed Rehabilitation Scope of Work for the Properties. As Project Teams develop their Financial Proposal(s) they should refer to the applicable design standards for various building components and systems set forth in the Basis of Design. Each section within the Basis of Design contains two parts: (1) Baseline Requirements, which describes the minimum work product expected from this program; and (2) Betterments, which either describes higher levels of quality or identifies additional elements of scope that have been identified as highly desirable for the Projects. Submitted Financial Proposals must comply with at least the Baseline Requirements and should include Betterments to the extent possible within the funding available.

Cluster

A collection of Projects led by a Prime Developer, comprising Properties as described in Section II.A.

Conditional Designation Letter (“CDL”)

The agreement NYCHA will enter into with the Designated Project Team(s) (as further defined below) upon conditional designation with respect to Projects.

Designated Project Team

The Designated Project Team is comprised of the Prime Developer and any additional partners proposed for implementation of Projects within a Cluster.

Existing Conditions Reports

Investigative reports documenting the existing qualitative conditions of various building systems and physical elements including, but not limited to, heating, cooling, ventilation, plumbing, electrical, elevator and fire suppression systems; building envelope components (facades, roofs, windows, doors); and structural assembly and integrity. These reports may include written descriptions of the existing conditions and/or schematic drawings as well as preliminary recommendations and feasibility analysis for replacement, repair or maintenance implementations.

Finalist Applicant

Applicants that are invited to submit Complete Proposals after submission and review of Preliminary Proposals (also referred to as Finalist Team).

National Standards for the Physical Inspection of Real Estate (“NSPIRE”)

HUD required inspections that replace the former Public Housing Assessment System (“PHAS”) inspections. The inspections focus on critical health and safety areas with the goal of assessing the true physical condition of apartments while promoting better living conditions for residents.

NYCHA Physical Needs Assessment (“NYCHA PNA”)

A technical report commissioned by NYCHA detailing the physical needs of a public housing development following a HUD-specified methodology. This report analyzes the annual physical needs over twenty (20) years.

PILOT Agreement

The agreement between the City of New York (the “City”) and NYCHA for payment in lieu of taxes (“PILOT”) on the Property.

Prime Developer

The Pre-Qualified Developer who leads a Cluster(s). The Prime Developer is responsible for the execution of Projects within the Cluster.

Principal

An individual, partnership, limited liability company, limited liability partnership, corporation, or other not-for-profit or for-profit entity that will act as the general partner, officer, manager, and/or managing member of the Applicant, or any entity, limited partner, shareholder, or other member that has at least a 10% ownership interest in the Applicant.

Project

The financing, rehabilitation, property management, and social services delivery in relation to the conversion of units at one or more Properties from administration pursuant to Section 9 of the Act to Section 8 of the Act (as may be implemented through a combination of RAD and Section 18) comprising a single transaction.

Properties

NYCHA’s public housing developments that are included in Projects. Refer to [Exhibit A – Property Profile](#) for detailed information about each Property.

RAD Capital Needs Assessment (“RAD CNA”)

As required under the RAD Notice, a HUD-approved consultant has conducted a detailed physical inspection of a Property to determine critical repair needs, short- and long-term rehabilitation needs, market comparable improvements, energy efficiency, unmet physical accessibility requirements, and environmental concerns, including lead-based paint. Critical repairs are work that, in HUD’s determination, address imminent life, health, and safety threats to residents and must be completed to allow the affected units to be occupied. NYCHA has hired a consultant to prepare a draft RAD CNA, which will be updated and submitted to HUD by the consultant in coordination with the Designated Project Team prior to Project conversion.

RAD Fair Housing and Relocation Notice

HUD Notice H 2016-17, PIH 2016-17 (HA), RAD Notice Regarding Fair Housing and Civil Rights Requirements and Relocation Requirements Applicable to RAD First Component – Public Housing Conversions, found at:

http://www.radresource.net/sources/public/RAD%20Relocation%20Notice_11.10.16.pdf

RAD Notice

HUD Notice H-2019-09 PIH-2019-23 (September 5, 2019), as amended by HUD Notice H-2023-08 PIH-2023-19 (HA) (July 27, 2023), as amended by HUD Notice H 2025-01 PIH 2025-03 (HA) (January 16, 2025), as may further be amended by HUD, found at:

https://www.hud.gov/sites/default/files/Housing/documents/RAD_Notify_Rev4_Final_as_amended_by_Supplemental_4B_and_4C_Master_Version.pdf

Redevelopment Plan

An analysis of redevelopment opportunities at a Property and as part of a Project, following guidance in Section II.B.

Rehabilitation Scope of Work

A comprehensive cost estimate provided by Project Teams that responds to the Basis of Design and Rehabilitation Scope of Work. The Proposed Rehabilitation Scope of Work should include unit and total costs of each component as identified by the Project Team, with any proposed betterments included or identified as alternates. Project Teams may deviate from the Basis of Design and/or Rehabilitation Scope of Work at their discretion with justification.

The *Proposed* Rehabilitation Scope of Work will be submitted as part of the Complete Proposal by Finalist Applicants. The *Final* Rehabilitation Scope of Work will be developed by the Designated Project Team in collaboration with NYCHA and residents. The Final Rehabilitation Scope of Work will be subject to NYCHA and HUD approval.

Rehabilitation Scope of Work

A spreadsheet detailing the repair and replacement needs proposed to address the capital needs of the Property, as initially determined by the Existing Conditions Reports and NYCHA. The Rehabilitation Scope of Work will be provided by NYCHA as an exhibit to this RFEI to Finalist Applicants. Project Teams should calculate estimated costs for the included components that conform with the product and quality standards identified in the Basis of Design and input into the Rehabilitation Scope of Work, adjusting the template and Proposed Rehabilitation Scope of Work as needed.

Resident Review Committee

A group of residents residing at the Property who will evaluate Finalist Proposals, interview Finalist Applicants, and inform the selection of Designated Project Teams. The group is convened by NYCHA and is typically comprised primarily of resident association executive board members and may be supported by a resident advisor.

Section 18

Section 18 of the Housing Act of 1937, as amended, allows for the demolition and disposition of public housing property. HUD has promulgated regulations in 24 C.F.R. Part 970 detailing the administrative steps required for its approval of any demolition or disposition activity affecting covered public housing properties. The Section 18 regulations may be found at: [eCFR :: 24 CFR Part 970 -- Public Housing Program—Demolition or Disposition of Public Housing Projects](#).

Section 18 Notice

HUD Notice PIH 2024-40 (HA), Demolition and/or disposition of public housing property, eligibility for tenant-protection vouchers, and associated requirements, found at: [Demolition and Disposition of PIH Property and Eligibility Final \(40\)](#) (issued December 26, 2024).

VIII. CONDITIONS, TERMS, AND LIMITATIONS

This RFEI is subject to the specific conditions, terms, and limitations stated below:

1. Proposals submitted shall be deemed to incorporate all of the terms and conditions contained in this RFEI. Applicants will be deemed to have consented to such terms by submitting a Proposal in response to this RFEI.
2. The Properties will be leased in “as-is” condition and NYCHA requires the Designated Project Team(s) to assume the obligation to remediate any environmental contamination, cure any violations, correct any certificates of occupancy, indemnify NYCHA for any claims that may be made against them in the future, and release NYCHA from any claims that the Designated Project Team(s) or their affiliates may have in the future arising out of the condition of the Properties. NYCHA, or any of its respective officers, agents, and employees, make no representation whatsoever as to the physical condition of the Properties or their suitability for any specific use. All due diligence is the responsibility of the Applicants, and Applicants are urged to satisfy themselves with respect to the condition of the Properties, the information contained herein, and all limitations or other arrangements affecting the Properties. NYCHA will not be responsible for any injury or damage arising out of or occurring during any visit to the Properties.
3. The proposed Projects shall conform to, and be subject to, the provisions of the New York City Zoning Resolution, the New York City Building Code, and all other applicable laws, regulations, and ordinances of all Federal, State, and City authorities having jurisdiction, as the same may be amended from time to time.
4. Valid permits and approvals, as required by City, State, and Federal agencies, shall be obtained by the Designated Project Team prior to commencing work.
5. The commencement of negotiations with an Applicant will depend on satisfaction of the documentation and review requirements described in this RFEI and will be subject to review by NYCHA. The continuation of negotiations with an Applicant may depend on the Applicant’s provision of additional documentation as required by NYCHA.
6. NYCHA will lease the Properties pursuant to approval from HUD, and all documentation, including, but not limited to, the Lease, shall be in form and substance satisfactory to NYCHA, HDC, and HUD.
7. An Applicant submitting a Proposal in response to this RFEI may be rejected if it or, if the Applicant is a business entity, any of its Principals is determined, in NYCHA’s sole discretion, to be within a category of persons or entities with whom or which the City, HDC, or NYCHA will not generally do business. The Applicant and all officers and Principals thereof will be required to complete a background questionnaire and shall be subject to sponsor review and investigation by HDC, and the New York City Department of Investigation. Any designation

may be revoked in NYCHA's sole discretion in the event any derogatory information is revealed by such investigation.

8. No commission for brokerage or any other fee or compensation shall be due or payable by NYCHA, and the submission of a Proposal will constitute the Applicant's undertaking to indemnify and hold NYCHA harmless from and against any such claim for any such fee or compensation based upon, arising out of, or in connection with any action taken by the Applicant, the selection of the Applicant's submission and invitation to the Applicant to respond to this RFEI, or the conditional selection of an Applicant pursuant to this RFEI.
9. The Applicant will not engage in any scheme or practice that seeks to solicit, pay, or receive as payment, or to deliver to anyone, any sum or thing of value (including, without limitation, the performance of any service) that may constitute or be construed as a bribe, kick-back, or other inducement that in any manner may prejudice NYCHA's interests or compromise the duty owed by anyone to NYCHA.
10. NYCHA is not obligated to pay, nor shall NYCHA in fact pay, any costs or losses incurred by any Applicant at any time, including any costs incurred by the Applicant in connection with the Applicant's response to this RFEI.
11. The Designated Project Team, and in the event that the Designated Project Team is a joint venture, each member of that joint venture, jointly and severally, shall forever defend, indemnify, and hold harmless NYCHA and its directors, members, principals, officers, agents, representatives, affiliates, and employees from and against any and all obligations, liabilities, claims, demands, penalties, fines, settlements, damages, costs, expenses, and judgments of whatever kind or nature, known or unknown, contingent or otherwise arising from the Project, including, without limitation, personal or bodily injury (including death) of or to any person or persons, including, without limitation, from or related to the presence, release, storage, transportation, or disposal of hazardous materials, or any damage to property of any nature.
12. No member of, or delegate to, the Congress of the United States or the New York State or City government, or resident commissioner, shall be permitted by the Applicant to share in any part of the Projects or in any benefit that may arise from the Projects.
13. NYCHA, HUD or any other federal, state or local agency providing funds to NYCHA, the New York City Comptroller, the New York City Department of Investigation, and the Comptroller General of the United States shall have the right to perform an audit of the Designated Project Team's finances and the books and records related to its performance under the Project(s), including, without limitation, the financial arrangement with anyone that the Designated Project Team may delegate to discharge any part of its obligations with respect to the Project(s).
14. The selection of an Applicant will mean only that NYCHA may commence negotiations with that Applicant regarding its Proposal for the Project(s). NYCHA will send the Conditional Designation Letter to the Designated Project Team. The Designated Project Team must begin predevelopment work upon execution of the Conditional Designation Letter. The Designated

Project Team will be expected to start construction on the day specified in the Development Schedule contained in the Conditional Designation Letter. However, the Designated Project Team must commence construction no later than the sooner of thirty (30) days after construction closing or twelve (12) months from the date of the Conditional Designation Letter. NYCHA may terminate further negotiations with the Designated Project Team if it fails to meet such deadlines, and if such termination occurs, the Designated Project Team has no claims against NYCHA for any damages or rights of enforcement.

15. NYCHA is under no legal obligation to lease the Property. NYCHA may use the Proposals submitted pursuant to this RFEI as a basis for negotiations with Applicants as NYCHA deems appropriate. NYCHA may reject at any time any or all Proposals; may amend, modify or withdraw this RFEI in whole or in part; may negotiate with one or more Applicants; and/or may negotiate and lease the Properties on terms other than those set forth herein (including to parties other than those responding to this RFEI). NYCHA may also, at any time, waive compliance with, or change any other terms and conditions of, this RFEI; entertain modifications or additions to selected Proposals; or withdraw or add individual properties or parcels from or to this RFEI if in NYCHA's judgment it is in the best interests of NYCHA to do so.
16. Selection of an Applicant's Proposal will not create any rights on the Applicant's part, including, without limitation, rights of enforcement, equity, or reimbursement, such rights only being created after the approvals of HUD and NYCHA, and the Lease and all related documents (the "NYCHA Documents") are fully approved and executed. Until such approvals and execution of the NYCHA Documents, NYCHA may terminate negotiations with the Designated Project Team at any time without incurring any obligations to the Designated Project Team.
17. In the event of any variance between the terms of this RFEI and the NYCHA Documents, the terms of the NYCHA Documents will govern.
18. All determinations as to the completeness or compliance of any Proposals, or as to the eligibility or qualifications of any Applicant, will be within the sole discretion of NYCHA.
19. All Proposals and other materials submitted to NYCHA in response to this RFEI may be disclosed in accordance with the standards specified in the Freedom of Information Law, Article 6 of the Public Officers Law ("FOIL"). The Applicant submitting a Proposal must designate those portions of the Proposal that it believes are exempt from FOIL. This characterization shall not be determinative but will be considered by NYCHA when evaluating the applicability of any exemptions in response to a FOIL request.

IX. CONFLICTS OF INTEREST

Current or former employees of the City of New York may respond to this RFEI only in accordance with the section(s) of Chapter 68 of the New York City Charter governing conflicts of interest affecting City personnel. Section 2604(b)(7) of the City Charter contains specific prohibitions that exclude enumerated groups of employees from participating in the sales process. In addition, current NYCHA employees may not respond to this RFEI.

Persons in the employ of the City considering the submission of a Proposal in response to this RFEI are advised that opinions regarding the propriety of their participation in the Project may be requested from the New York City Conflicts of Interest Board. This body is empowered, under Section 2602 of the City Charter, to issue advisory opinions on conflict of interest questions and other matters of ethical consideration. It is not necessary, however, that such an opinion be obtained prior to responding to this RFEI.

Former employees of the City of New York or NYCHA are also advised that the City Charter imposes certain restrictions on post-employment business relationships with the City. Such individuals should consult the specific provisions on this issue contained in the City Charter.

If, after award, the Designated Project Team discovers an organizational conflict of interest with respect to the NYCHA Documents or the Projects, the Designated Project Team shall make an immediate and full disclosure in writing to NYCHA, which shall include a description of the action that the Applicant has taken or intends to take to eliminate or neutralize the conflict. NYCHA may, however, terminate negotiations with the Designated Project Team if it would be in the best interest of NYCHA to do so.

X. CONFIDENTIALITY

Certain information that NYCHA may furnish in connection with this RFEI may be labeled as confidential and must be treated as proprietary information of NYCHA by each recipient of this RFEI. By the Applicant's receipt of this RFEI, the Applicant agrees not to (a) disclose any part or all of such confidential information furnished to the Applicant pursuant to this RFEI to any party, including, without limitation, any law firm or any corporate or government office, except to the extent essential to the preparation of the Proposal, and to secure from any party to whom a disclosure is made under this provision a confidentiality agreement, executed prior to any such disclosure, in which the recipient agrees to keep confidential and to not disclose any such confidential information to any other party (a "Confidentiality Agreement"), and (b) use such information for any purpose other than to prepare a response to this RFEI. Such Confidentiality Agreement must name NYCHA as an intended third-party beneficiary with the right to enforce all remedies in an event of any such breach or unauthorized disclosures.

The Applicant must clearly designate in its Proposal those portions of the Proposal, if any, that the Applicant believes are trade secrets or are maintained for the regulation of commercial enterprise that, if disclosed, would cause substantial injury to the competitive position of the Applicant. To the extent the law permits (i.e. Section 89 of the New York State Public Officers Law), NYCHA will use reasonable efforts to hold the designated portions of the Proposal in confidence but such characterizations are not determinative when NYCHA is evaluating the applicability of any exemptions in response to a FOIL request.

NYCHA reserves the right to share any or all components of the Applicant's response to this RFEI (including, without limitation, for training purposes) with NYCHA residents.

XI. INVESTIGATIONS AND TERMINATION

All Applicants agree and the Designated Project Team agrees to fully and faithfully cooperate with any investigation, audit or any inquiry by any governmental authority or agency that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of NYCHA with respect to the Project, submitted Proposal, NYCHA Documents, or person dealing with NYCHA that is the subject of the investigation, audit or inquiry.

1. If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, contract, lease or license entered into with NYCHA, the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or
2. If any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of NYCHA, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, contract, lease or license entered into with NYCHA, the City, the State, or any political subdivision thereof or any local development corporation within the City, then:

NYCHA has the right to terminate or cancel the NYCHA Documents or withdraw any conditional designation or reject any Proposal that the refusal(s) to testify concerns or to take other appropriate action, without NYCHA incurring any penalty or damages on account of such cancellation or termination.

In addition, NYCHA, may in its sole discretion terminate the NYCHA Documents or withdraw any conditional designation or reject any Proposal in the event the Applicant or Designated Project Team fails to promptly report in writing to the Commissioner of the Department of Investigation of the City of New York any solicitation of money, goods, requests for future employment, or other benefit or thing of value, by or on behalf of any employee of NYCHA or other person, firm, corporation or entity for any purpose that may be related to the selection under this RFEI, or affecting the performance of the Project to be done pursuant to this RFEI.

XII. NEW YORK LAW

The NYCHA Documents shall in all respects be governed and construed in accordance with the laws of the State of New York. Any and all proceedings relating to the NYCHA Documents must be maintained in the state courts sitting in the City and County of New York, which courts have exclusive jurisdiction for such purpose; provided, however, that if any such action or proceeding arises under the Constitution, laws or treaties of the United States of America, or if there is a diversity of citizenship between the parties thereto, or any other causes establishing federal jurisdiction, so that it is to or may be brought in the United States District Court, it shall be brought in the United States District Court having jurisdiction in the City and County of New York.

XIII. DISCLAIMER

NYCHA does not make and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Properties including, without limitation, the following: (a) the value of the Properties; (b) the income to be derived from the Properties; (c) the nature, quality or condition of the Properties, including, without limitation, the manner, quality, state of repair or lack of repair of the Properties and the water, soil and geology thereof and any drainage from or onto the Properties; (d) the conformity of the Properties to any plans or specifications thereof; (e) the compliance of or by the Properties or their operation with any legal requirements including, without limitation, the Americans with Disabilities Act; any zoning rules, regulations, plans or resolutions; any applicable federal, state or local landmark designations; any loft board control, rent control, rent stabilization and/or any other rent regulation or requirements; and any rules and regulations promulgated under or in connection with any of the foregoing; (f) the habitability, merchantability or fitness for a particular purpose of the Properties; (g) the current or future real estate tax liability, assessment or valuation of the Properties; (h) the availability or unavailability or withdrawal or revocation of any benefits or incentives conferred by any federal, state or municipal authorities; (i) the fact that all or a portion of the Properties may be located on or near a flood plain or an earthquake fault line; (j) any other matter with respect to the Properties; or (k) the accuracy of any exhibit or information provided relating to the Properties.