

STATE OF NEW YORK
OFFICE OF GENERAL SERVICES

REQUEST FOR INFORMATION

Redevelopment of the Pyramid Residential Center Site

Bronx, New York

Issued on December 29, 2010

by:

New York State Office of General Services
Corning Tower Building, 41st Floor
The Governor Nelson A. Rockefeller Empire State Plaza
Albany, New York 12242

For planning and information purposes only

Responses accepted from January 18, 2011 through March 11, 2011 (revised)

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I. THE OPPORTUNITY

The Pyramid Residential Center is located on East 161st Street in the Melrose section of the Bronx. Through the efforts of the New York City Department of Housing and Preservation Development and use of federal funds, the area has begun resurgence with the construction of new subsidized multi-family housing projects. Across from the Pyramid Residential Center is Boricua Village, a complex of 750 apartments, a college campus, Boricua College, retail space and underground parking. The Request for Information (“RFI”) invites interested parties to envision the future for this surplus State building as a community asset and/or a development opportunity. The Office of General Services (OGS) key objectives are to:

- Leverage the expertise of the real estate industry to enhance the Pyramid Residential Center as a valuable asset.
- Maximize financial return to the government and taxpayers through development of the site or through reuse of the site for community related services.
- Contribute to the vitality of the Melrose area and Bronx County.

OGS invites development teams and other interested parties ("Respondents") to submit conceptual redevelopment proposals that maximize the potential of the Pyramid site with a financially viable project that meets State objectives. With OGS's commitment to enhance its real estate portfolio by leveraging underutilized assets and with the support of the local community, a Pyramid redevelopment plan can take shape with your input and vision.

Parties interested in the redevelopment of Pyramid Residential Center should use this opportunity to let OGS know your ideas and for OGS to learn about your organization and capabilities. For additional information on the submission process, see Sections IV and V.

II. OVERVIEW OF THE PYRAMID RESIDENTIAL CENTER

The Pyramid Residential Center building was recently declared surplus by the New York State Office of Children and Family Services (OCFS). The property was appropriated by the State of New York in 1967 and was utilized and managed by OCFS as a temporary detention and evaluation center for boys. The 60,000 square foot and four story building has been enlarged several times in its 95 year life and is situated on approximately 0.95 acre lot. OGS will determine if there is interest from Respondents sufficient to consider disposition alternatives. If OGS determines through its review that redevelopment is not in the best interest of the State, then OGS will explore other options.

LOCATION AND TRANSPORTATION

The subject property is located in the Bronx Community District #3 in central South Bronx. This property is irregular and, except the northeast corner of East 160th Street and Elton Avenue, comprises the entire block formed by the de-mapped East 161st Street, East 160th Street, Elton Avenue, and Washington Avenue. There is 156'± frontage on East 160th Street, 190'± on Washington Avenue, and 114'± along Elton Avenue. The lot is generally level and has a gated and fenced parking lot. The subject is within ½ mile of the entrance to the Bruckner Expressway (I-278) and the Tri-Borough Bridge connecting the Bronx, Manhattan, and Queens. Local truck routes to Manhattan are within a few miles. Access to both the Metro North train and bus service is within walking distance.

BUILDING DATA

A four story with basement, community facility building, the complex is “E” shaped and consists of 60,000± square feet. The first floor contains offices, exam rooms, a dental exam room, reception area, security rooms, bathrooms, mezzanine for the swimming pool, game room, gymnasium, and handball court. The second floor contains administrative office and an elevated running track around the gymnasium. Both third and fourth floors contain 36 bedrooms, multiple day rooms and offices as well as group bathrooms and showers. The basement contains a commercial kitchen, two dining rooms, storage/maintenance rooms, and the swimming pool. A sub-basement area contains the boiler room and storage. The building is in average overall condition.

III. REDEVELOPMENT PARAMETERS

OGS invites Respondents to offer conceptual proposals consistent with the zoning parameters set forth below.

TRANSACTION STRUCTURE/OGS STATUTORY AUTHORITY

OGS has specific statutory authority under various State laws that permit transactional structures that include ground lease, lease and fee simple sale. Respondents may submit a preferred transactional structure for review, but no transaction particulars will be offered or considered by OGS under this RFI.

OGS does not anticipate providing project financing or Government guarantees of third-party financing. However, other Government incentives may be considered.

All risks incident to or possessing interest in the asset will remain with the lessee(s)/buyer(s).

OWNERSHIP – TAXES

The property is currently owned by the State of New York and is exempt from property and school taxes. Information regarding assessment and tax rates may be obtained from the City of New York at (212) 504-4080.

ZONING

State owned property is exempt from local zoning; however, the subject property is zoned C4-4 (General Commercial) under the zoning ordinance of the City of New York. A broad variety of uses are permitted including convenience retail or service establishments, public service establishments, offices (business, professional or governmental, clubs, residential including transient, community facilities as well as permitted accessory uses.

It should be assured that any development on the site should comply with current City building codes, particularly height – density limitations.

AS—IS CONDITION

Respondents should assume that the Pyramid Residential Center, including supporting building infrastructure, will be leased/sold “AS IS” and “WHERE IS” without representation, warranty, or guaranty as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the Respondent’s purpose.

Respondents should rely on their own independent research and conclusions for all development, financing, construction and renovation costs.

IV. SUBMISSION REQUIREMENTS

OGS is seeking information relating to general redevelopment concepts and preliminary project financials demonstrating a financially-viable redevelopment of the Pyramid Residential Center in accordance with OGS's objectives as articulated on page 1 of this RFI. Interested Respondents are encouraged to provide:

1. Company Information and Relevant Experience: Name of Respondent and a three to five (3 - 5) page description of any experience that is pertinent to the redevelopment of Pyramid Residential Center;
2. Project Narrative: We anticipate a narrative of approximately five (5) to ten (10) typed, 8 1/2 x 11" pages, outlining the Respondent's proposed Pyramid Residential Center redevelopment concept, including:
 - A. *Project Summary*: Project summary (i.e., table) including Respondent name, project name, total development square footage, total development cost, financing structure, land transaction/ownership structure and date of completion;
 - B. *Vision*: The vision for the project, in particular addressing how the concept will meet OGS's objectives, including:
 - Provide a plan for adaptive reuse that benefits the Melrose community and the Bronx.
 - Maximizing financial return to the government and taxpayers.
 - C. *Proposed Use*: Enumeration of the proposed use(s) and the general allocation of their size and location. Describe any known potential obstacles to implementing your proposed use, along with known potential obstacles to other potential uses;
 - D. *Implementation Plan*: Brief overview of how the principal spaces, systems and building elements would be modified, reused or demolished; and
 - E. *Development Timeframe*: An overview of the development timeframe (subdivided into phases, if necessary), identifying the estimated length of time to reach key milestones including commencement and completion of design; financing; commencement and completion of construction; potential tenants; and operational stabilization.
3. Graphics: Submission of graphics to illustrate the vision would be helpful but is not required. We suggest that graphics be approximately five (5) pages (8 1/2" x 11"). Graphics do not need to be elaborate; graphics may be used as a way to convey the vision in clear, simple and conceptual terms. Graphics may include sketches, overhead maps, conceptual floor plans, and/or photographs of:
 - Pyramid Residential Center;
 - Other projects undertaken by the development team members; and/or

- Projects undertaken by others which illustrate the Respondent's vision for the Pyramid Residential Center.
4. **Financial Information:** Financial information based on the material in this RFI, including:
- A. *Plan of Finance:* Respondent's experience with the proposed concept; and current and reasonably foreseeable market conditions.
 - B. *Preliminary Pro Forma:* Preliminary *pro forma* with return analyses, expected rental rates, anticipated ground rent to OGS (if applicable) and projected financing. (Note: Cost estimates and financing are necessarily preliminary and should be based on industry standards and reasonable future expectations). Include timetable of major project financing milestones.
 - C. *Transaction Structure:* Respondents shall propose their desired transaction structures and basic financial terms.
 - D. *Government Participation:* Describe any government incentives (with the exception of project financing or Government guarantees) necessary to achieve success and what guarantees you would provide in order to receive those incentives.

SUMMARY OF SUBMISSION REQUIREMENTS

As outlined above, Respondents are encouraged to provide the following information:

- | | |
|--|---------------------|
| 1. Company Information and Relevant Experience | 5 pages (suggested) |
| 2. Project Narrative | 5 pages (suggested) |
| 3. Graphics (optional) | 5 pages (suggested) |
| 4. Financial Information (including <i>pro forma</i> spreadsheets) | 5 pages (suggested) |

Respondents are requested to provide three (3) copies of the submittal to OGS. Reproducible electronic copies (PDF) are encouraged in lieu of the hard copy versions.

V. SUBMISSION PERIOD

Responses to the RFI can be submitted during the period beginning January 18, 2011 and ending March 11, 2011 (revised). Please submit responses to OGS at the following address:

New York State Office of General Services
Real Estate Planning and Development
Mayor Erastus Corning 2nd Tower, 26th Floor
The Governor Nelson A. Rockefeller Empire State Plaza
Albany, New York 12242
Email Address: Land.Management@ogs.state.ny.us

Submissions must be received by the Project Manager, Real Estate Planning and Development Group, by **12:00 p.m. (noon) EST on March 11, 2011.**

VI. STATEMENT OF LIMITATIONS

1. OGS represents that this RFI, submissions from Respondents to this RFI, and any relationship between OGS and Respondents arising from or connected or related to this RFI, are subject to the specific limitations and representations expressed below, as well as the terms contained elsewhere in this RFI. By responding to this RFI, Respondents are deemed to accept and agree to this Statement of Limitations. By submitting a response to this RFI, the entity acknowledges and accepts OGS's rights as set forth in the RFI, including this Statement of Limitations.
2. This RFI is issued solely for information and planning purposes and does not constitute a solicitation. Responses to this notice are not an offer and cannot be accepted by OGS to form a binding contract.
3. All information submitted in response to this RFI is subject to the Freedom of Information Law (FOIL), which generally mandates the disclosure of documents in the possession of OGS upon the request of any person unless the content of the document falls under a specific exemption to disclosure.
4. OGS reserves the right, in its sole discretion, without liability, to utilize any or all of the RFI responses, including late responses, in its planning efforts. OGS reserves the right to retain and use all the materials and information, and the ideas, suggestions therein, submitted in response to this RFI.
5. This RFI shall not be construed in any manner to implement any of the actions contemplated herein, nor to serve as the basis for any claim whatsoever for reimbursement of costs for efforts expended in preparing a response to the RFI. OGS will not be responsible for any costs incurred by Respondents related to preparing and submitting a response to this RFI, attending oral presentations, or for any other associated costs.
6. The submission of an RFI response is not required to participate in any potential future development process.
7. To the best of OGS's knowledge, the information provided herein is accurate. Respondents should undertake appropriate investigation in preparation of responses. A site inspection will be coordinated to give all Respondents the opportunity to examine existing conditions.

VII. ADDITIONAL INFORMATION

Project Inquiries

The Project Manager will accept written questions from prospective Respondents regarding the RFI. Please submit questions to:

Michele Cwiakala
New York State Office of General Services
Real Estate Planning and Development
Mayor Erastus Corning 2nd Tower, 26th Floor
The Governor Nelson A. Rockefeller Empire State Plaza
Albany, New York 12242
Office: (518) 474-2195
Fax: (518) 474-0011
Email Address: michele.cwiakala@ogs.state.ny.us

Written questions must include the requestor's name, e-mail address, and the Respondent represented.

Site Visits

Potential Respondents may attend a building tour with OGS staff on the following date:

Thursday, January 13, 2011 from 10:30 a.m. to 1:30 p.m.

Please contact the Project Manager if you plan on participating in the building tour.

Interested Parties List

Contact information for any Respondents will be placed on the interested parties list compiled for this project. Any party that chooses not to respond to this RFI may be added to the interested parties list by submitting the following information to the Project Manager.

- Name
- Organization
- Mailing Address
- Email Address
- Phone Number
- Fax Number

Upon receipt of expressions of interest, OGS may move forward to a Request for Qualifications or a Request for Proposals process, or choose not to continue this process in any manner or fashion. No contractual obligations to any party will result or arise from this request for expressions of interest. OGS will make a good faith effort to contact all interested parties regarding the release of any additional information regarding the redevelopment of the Pyramid Residential Center.

SUBJECT PHOTOGRAPHS

**The Pyramid Reception Center
470 East 161st Street, Bronx, New York 10451**



PART OF EAST 161ST STREET FRONTAGE



ELTON AVENUE FRONTAGE



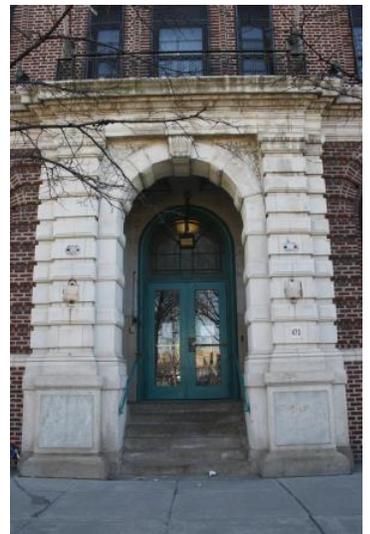
PART OF EAST 160TH STREET FRONTAGE



WASHINGTON AVENUE FRONTAGE



PART OF PARKING AREA AND WEST SIDE OF IMPROVEMENT



**MAIN ENTRANCE ON
EAST 161ST STREET**

SUBJECT PHOTOGRAPHS

The Pyramid Reception Center
470 East 161st Street, Bronx, New York 10451



TYPICAL CORRIDOR



TYPICAL BEDROOM



TYPICAL BATHROOM



LAUNDRY ROOM



TYPICAL LOUNGE AREA



TYPICAL CLASSROOM

SUBJECT PHOTOGRAPHS

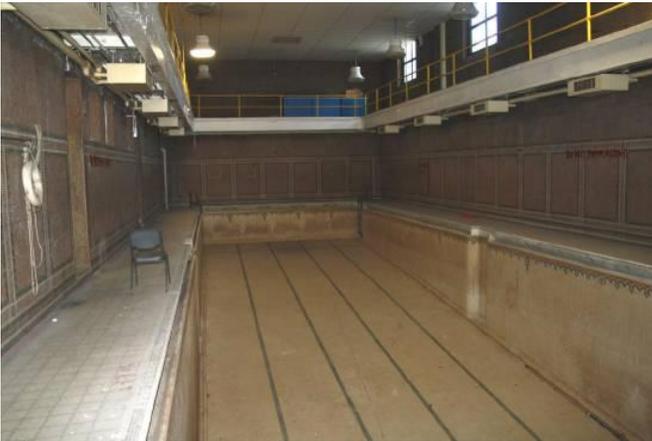
The Pyramid Reception Center
470 East 161st Street, Bronx, New York 10451



GYMNASIUM



TRACK ABOVE GYMNASIUM



POOL



CAFETERIA



RACQUET BALL COURT



GAME ROOM