

STATE OF NEW YORK  
OFFICE OF GENERAL SERVICES

**REQUEST FOR INFORMATION**

Redevelopment of the Virginia House Site

128 East 112<sup>th</sup> Street  
Borough of Manhattan  
County and City of New York

Issued on December 29, 2010

*by:*

New York State Office of General Services  
Corning Tower Building, 41<sup>st</sup> 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 February 11, 2011**

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## **I. THE OPPORTUNITY**

The Virginia House is a six story masonry building located in mid-block at 128 East 112<sup>th</sup> Street between Lexington and Park Avenues, a residential block of mid-rise apartment buildings and a public school. The area apartment buildings are predominantly City-owned with the exception of a new privately owned apartment building adjacent to the Virginia House site with forty-three units. Many streets in the area are being rejuvenated as older buildings are removed and new affordable apartment buildings are constructed by not-for-profit agencies. Recent local developments include the East Harlem South Cluster, 213 new residential units between 99<sup>th</sup> and 112<sup>th</sup> Streets between Third and Fifth Avenues, the East Harlem Veteran's Initiative, 87 units at 110 East 118<sup>th</sup> Street and the proposed Calvert Lancaster East Harlem Cluster, 79 units located between East 117<sup>th</sup> and 122<sup>nd</sup> Streets between Lexington and Madison Avenues. This development activity has had a positive impact on this portion of Spanish Harlem.

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 Virginia House 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 East Harlem community and New York County.

OGS invites development teams and other interested parties ("Respondents") to submit conceptual redevelopment proposals that maximize the potential of the Virginia House 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 Virginia House redevelopment plan can take shape with your input and vision.

Parties interested in the redevelopment of Virginia House 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 VIRGINIA HOUSE**

In 1977, the State obtained fee title to the Virginia House from the Institute of Franciscan Missionaries of Mary. The Division for Youth operated the Virginia House as a group home until 1989. During the period from 1989 to 2002, the property was utilized by the Division of Housing and Community Renewal and subleased to EDAD Inc., a not-for-profit, to house the homeless and elderly. In 2002, pursuant to special legislation, the property was conveyed by the State of New York to EDAD Inc. for \$1.00 for the sole purposes of housing the elderly and homeless, social services, education and local development. In early 2010, EDAD Inc. decided to discontinue its charitable mission at the property and conveyed the property back to the State.

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 Manhattan Community Board #11 in East Harlem and is identified as Tax Parcel Block 1639, Lot 62 on municipal tax maps. The parcel is a rectangular lot 67.83 feet wide and 100.92 feet deep, containing 6,846 square feet of land. A school borders the property to the west. Virginia house is located on a residential street curbed with sidewalks and has unmetered curbside parking. There is an overhead roll-up gate which provides access to the undeveloped portion of the property which is paved with concrete and usable for parking or recreation. Access to public transportation is within walking distance.

### **BUILDING DATA**

The site is improved with a brick residential building constructed in 1930 as a convent with a gross building area of 25,700 square feet. The roof is flat and contains a large water tank. The basement contains a boiler room, laundry room, elevator room and storage space. Main lobby area is dominated by the meeting/dining area, kitchen and lounge. Floors two through six contain small rooms used for single and double occupancy living quarters. A seven stop elevator provides service between floors. 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 R7-2 (Residential) under the zoning ordinance of the City of New York. Most of East Harlem is zoned R7-2, which allows for medium density apartment buildings. The floor area ratio ranges from 0.87 to 3.44, which produces building types that range from five story to fourteen story apartments set back from the street. Zoning does not permit commercial uses such as retail or offices.

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 Virginia House, 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 Virginia House 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 Virginia House;
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 Virginia House 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 East Harlem community and New York County.
    - 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:

- Virginia House;
- Other projects undertaken by the development team members; and/or
- Projects undertaken by others which illustrate the Respondent's vision for the Virginia House.

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 February 11, 2011. Please submit responses to OGS at the following address:

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

- **Wednesday, January 12, 2011 from 12:00 noon – 2:30 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 Virginia House.



**Virginia House  
128 E 112 Street, NY, NY**



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Exterior

**Virginia House  
128 E 112 Street, NY, NY**



Elevator Motor



Mechanical Room



Laundry



Chapel

**Virginia House  
128 E 112 Street, NY, NY**



Kitchen



Dining room



Reception



Elevator Doors



Victor Delgado



First Floor

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**First Floor**

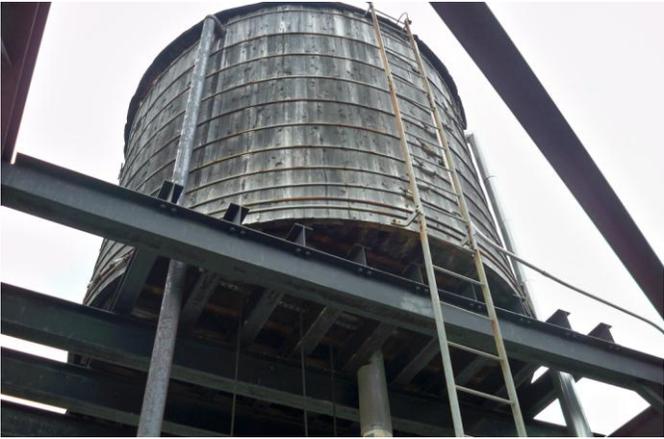
**Virginia House  
128 E 112 Street, NY, NY**



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Typical Floor (4<sup>th</sup>) – ten to twelve 120 sq. ft. bedrooms (40 total), one men's toilet, one men's shower, one woman's toilet, and one woman's shower.

**Virginia House  
128 E 112 Street, NY, NY**



Water tank



Mechanical Equipment



School (west)



Train and Projects (west)



Projects and Triboro Bridge (east)



Projects (north)