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July 24, 2025

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**Re: Statement Pursuant to Public Authorities Law §2897(6)(d)
New York State Urban Development Corporation d/b/a Empire State Development**

**Project: Lincoln Correctional Center Redevelopment Project
Location: 31–33 West 110th Street a/k/a Central Park North, New York, NY 10026**

Dear Honorable Recipient:

New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) is providing this explanatory statement to each recipient listed above pursuant to Public Authorities Law §2897(6)(d) in connection with ESD’s proposed disposition of the former Lincoln Correctional Facility (the “Property”), located at 31–33 West 110th Street a/k/a Central Park North, New York, New York 10026. ESD’s disposition of the Property to the private development team named below (the “Development Team”) will enable the Property to be redeveloped with a new affordable homeownership building with community facility spaces.

Pursuant to the Prison Construction Act, the State of New York deeded the Property to ESD in 1993 for nominal consideration. The Property was subject to a lease from ESD to the People of the State of New York acting through the Office of General Services (“OGS”) and a sublease from OGS to the New York State Department of Corrections and Community Supervision (“DOCCS”), both of which were executed in 1993 contemporaneously with ESD’s acquisition of the site. ESD issued tax-exempt bonds to finance necessary improvements to the facility, and OGS paid debt service on the bonds in lieu of rent to ESD.

DOCCS operated the Property as minimum-security correctional facility until the facility was closed permanently in 2019. To address the State’s initiatives to repurpose unused, publicly owned properties, ESD issued a competitive Request for Proposals in March 2023 to solicit redevelopment plans for the Property. In December 2023, ESD chose the proposal submitted by the Development Team identified below to redevelop the site. Their proposal consists of acquiring the Property from ESD, demolishing the existing building and constructing a new, 22-story, 160,000-square-foot building that will include up to 110 income restricted homeownership units and ground-floor community facility spaces. The homeownership units will be sold under either a housing cooperative (“co-op”) or condominium (“condo”) structure, all of which will be income restricted and will be available for sale to individuals or households earning up to 100% of the area median income. ESD will implement the project under a General Project Plan

("GPP") pursuant to the New York State Urban Development Corporation Act ("UDC Act"). ESD's Directors initially adopted the GPP on December 19, 2024 and affirmed it on March 27, 2025 after considering all substantive comments received during the January 23, 2025 public hearing on the proposed project and subsequent 30-day public comment period. A copy of the final, affirmed GPP is attached hereto as Exhibit 1.

Because ESD financed correctional facility improvements on the Property with tax exempt bonds issued pursuant to the Prison Construction Act, ESD's bond counsel has advised that the Property as improved must be sold for no consideration in order to comply with federal tax regulations regarding the conveyance of property financed with such bonds. The significant benefits to the surrounding community, City and State that will result from the redevelopment of a deteriorating, substandard and underutilized site to a much-needed affordable home ownership project justify ESD's disposition of the Property for such purpose and need.

Additional information about the transaction is as follows:

1. Description of the parties involved in the Property transaction: New York State Urban Development Corporation d/b/a Empire State Development (transferor) and a single purpose affiliate (transferee) of a 65 percent Minority-Owned Business Enterprise Development team consisting of Infinite Horizons, LLC; L+M Development Partners, LLC; Urbane Development Group, LTD; and Lemor Development Group, LLC.
2. Justification for disposing of the Property by negotiation: ESD's disposition of the Property is authorized by Public Authorities Law §2897(6)(c)(v) and §2897(7)(a)(ii), which permit a public authority to dispose property by negotiation when the disposal is within the purpose, mission or governing statute of the public authority. In the present case, ESD's disposition of the Property to a private developer is projected to result in an investment of over \$90 million in Harlem, will create jobs, and will help address the State's need for more affordable housing. Consequently, ESD's disposition of the Property is authorized under the UDC Act, which directs ESD to undertake projects such as this one that are aimed at promoting a vigorous economy, preventing economic stagnation, addressing substandard or insanitary conditions, creating new job opportunities, and achieving other public purposes with maximum opportunity for participation by private enterprise.
3. Identification of the Property, including location: The Property is the former Lincoln Correctional Facility, located at 31-33 West 110th Street a/k/a Central Park North in the Harlem section of the Borough of Manhattan, New York, New York, identified on the New York County Tax Map as Block 1594, Lot 17.
4. Estimated fair market value of the Property: As-is fair market value: \$14,850,000; fair market value restricted to affordable housing: \$0. Both values are based on an independent appraisal of the Property.
5. Proposed sale price of the Property: \$0. The Property must be sold for no consideration to comply with federal tax regulations noted above. In addition, an independent appraisal valued the Property at \$0 for its restricted use as an affordable housing development due to the significant costs required to demolish the existing obsolete correctional facility building and construct a new residential building on the Property.
6. Size of the Property: The Property has a lot area of approximately 10,000 square feet and is improved with an 8-story building containing approximately 70,000 square feet of floor area.
7. Expected date of sale of the Property: Estimated to be the fourth quarter of 2025.

Thank you for your consideration in this matter.

Very truly yours,

Anthony P Semancik

Anthony P. Semancik
Special Counsel

Anthony.Semancik@esd.ny.gov
(646) 630-3238

Attachment: Exhibit 1, General Project Plan

Exhibit 1

General Project Plan

Lincoln Correctional Center Redevelopment Project

**New York State Urban Development Corporation
d/b/a Empire State Development**

LINCOLN CORRECTIONAL FACILITY REDEVELOPMENT PROJECT

General Project Plan

Adopted December 19, 2024

Affirmed March 27, 2025

I. BACKGROUND

The New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) is adopting this General Project Plan (“GPP”) for the proposed Lincoln Correctional Facility Redevelopment Project (the “Project”), located at 31-33 West 110th Street a/k/a Central Park North in Harlem neighborhood of Manhattan, City and State of New York (the “Project Site”). ESD is sponsoring the Project as a Land Use Improvement Project pursuant to the New York State Urban Development Corporation Act (the “UDC Act”).

The State of New York has been engaged in recent years in programs to dispose publicly owned surplus properties, including former mental health facilities and correctional facilities, to avoid the continued carrying costs and potential liabilities associated with depreciating properties and to repurpose these properties for productive uses that will benefit the communities where they are located and the State as a whole. Building on those initiatives, with a strategic focus, ESD and other New York governmental entities are examining whether unused and under-utilized properties that they own, or control can be repurposed to address the housing crisis and to create more affordable, diverse, and inclusive neighborhoods in New York City and across the State.

ESD is advancing the proposed Project to address those goals and objectives. The Project involves ESD’s sale of the former Lincoln Correctional Facility, which closed in 2019, to enable the existing vacant, substandard and underutilized building to be demolished and the Project Site to be redeveloped with a new building containing up to 110 income-restricted homeownership units and ground-floor community facility spaces, transforming the currently underutilized 10,000 square foot site into a vibrant, mixed-use development.

A 65 percent Minority-Owned Business Enterprise development team, which ESD selected and conditionally designated in December 2023 through a competitive Request for Proposals (“RFP”), consists of Infinite Horizons, LLC, L+M Development Partners, LLC, Urbane Development Group, LTD, and Lemor Development Group, LLC. The Project Site will be acquired and developed, in accordance with the GPP, by corporate entities formed and controlled by various members of the development team. (The conditionally designated development team and such corporate entities are referred to hereinafter as the “Developer.”) The Project is anticipated to be completed and fully occupied in 2028.

II. LOCATION AND DESCRIPTION OF THE PROJECT SITE

A. The Project Site

The Project Site is located in Harlem at 31-33 West 110th Street a/k/a Central Park North and is designated on the Borough of Manhattan Tax Map as Block 1594, Lot 17. It is situated between Fifth Avenue and Lenox Avenue / Malcolm X Boulevard in Manhattan Community District 10 and is directly across the street from Central Park. The Project Site is owned by ESD and formerly was operated by the New York State Department of Corrections and Community Supervision ("DOCCS") as a minimum-security correctional facility, which was closed permanently in 2019.

The Project Site has a lot area of approximately 10,000 square feet and is improved with an eight-story building containing approximately 70,000 square feet of floor area. The majority of the Project Site is in an R8 residential zoning district, except for a portion of the northern section of the site, which is zoned R7-2 to a depth of less than 20 feet.

Throughout the twentieth and twenty-first centuries, the building has served several civic and community uses. Constructed in 1914, it originally was used by the Young Women's Hebrew Association to serve newly arrived immigrants. During World War II, the building provided a place of rest for U.S. troops. In the late 1940's and early 1950's, the building was rented by the New York City school system and used as "The New Lincoln School." In 1951, New York City purchased the building for continued use as a school. From 1976 until September 2019, the building was operated as a minimum-security correctional facility.

Pursuant to the Prison Construction Act, the State of New York deeded the Project Site to ESD in 1993 for nominal consideration. The Project Site was subject to a lease from ESD to the People of the State of New York acting through the Office of General Services ("OGS") and a sublease from OGS to DOCCS, both of which were executed in 1993 contemporaneously with ESD's acquisition of the site. ESD issued tax-exempt bonds to finance necessary improvements to the facility, and OGS paid debt service on the bonds in lieu of rent to ESD.

B. Neighborhood Context.

West 110th Street a/k/a Central Park North is a 90-foot-wide street that serves as the northern border of Central Park. Land uses in the surrounding neighborhood are predominantly comprised of residential, mixed residential/commercial, and public facility/institutional buildings. The northern portion of Central Park, including the Gate of the Exonerated, is directly across the street from the Project Site. Most of these buildings in the surrounding neighborhood are multi-family elevator buildings. Nearby public and institutional facilities include a homeless shelter at 55 West 110th Street, a public school at 21 West 111th Street, and a church at 6 West 111th Street. There are no commercial office buildings, industrial/manufacturing uses,

transportation/utility uses, or parking facilities in the surrounding neighborhood. Most of the surrounding area is zoned R8 and R7-2. (See Section VII below for a discussion of R8 and R7-2 zones.)

The Project Site is served by an abundance of public transit operated by the Metropolitan Transportation Authority ("MTA"). Five MTA bus lines – the M1, M2, M3, M4, and M10 – and five MTA New York City Transit subway lines – the B, C, 2, 3, and 6 – are in close proximity to the Project Site. The Project site is also approximately one mile southwest of the MTA Metro-North's Harlem - 125th Street commuter railroad station.

III. PROJECT DESCRIPTION

The Project will involve demolition of the existing vacant correctional facility building and the construction of a new 22-story, up to 160,000 gross square foot ('gsf') income restricted residential building on the Project Site with ground-floor community facility spaces. See Project Site Plan annexed hereto as Exhibit A.

The proposed building will contain up to 7,626 gsf of community facility space on the ground-floor and up to 110 income restricted dwelling units comprising up to 152,374 gsf of residential space. The anticipated unit mix will consist of up to 38 one-bedroom, 52 two-bedroom, and 20 three-bedroom apartments. It is anticipated that the community facility space will be utilized for three non-profit office and programming spaces. The ground-floor also contains a bicycle storage room for residents of the building with a minimum of approximately 54 bicycle parking spots.

All residential units will be homeownership units under either a housing cooperative ("co-op") or condominium ("condo") structure, all of which will be income-restricted to households earning up to 100 percent of area median income ("AMI").

All proposed Project buildings will be equipped solely with electric heating, ventilation, and air conditioning systems and utilize passive house design techniques.

* * * *

To implement the Project, ESD must override the New York City Zoning Resolution and other local laws and requirements as applicable, in accordance with the UDC Act and as discussed in Section VII below. As also discussed in Section VII below, the GPP incorporates design controls ("Design Guidelines") that will specify the parameters for permitted development of the Project in lieu of zoning or other local laws or requirements that are inconsistent with the Project.

As further described in Section VIII below, the Proposed Project requires discretionary approvals subject to environmental review under the State Environmental Quality Review Act and its implementing regulations set forth in 6 NYCRR Part 617 (collectively, "SEQRA").

IV. PURPOSE AND NEED FOR THE PROJECT

The Project will facilitate the demolition of the former Lincoln Correctional Facility building in Harlem and redevelopment of the site with an income-restricted homeownership building and community facility spaces, transforming the currently vacant, substandard and underutilized site into a vibrant, mixed-use development. Redevelopment of the Project Site (i) will advance State initiatives to promote affordable housing to address New York's housing crisis, including Pro-Housing Communities Program and Executive Order 30, which catalyze barrier-breaking approaches to accelerate critically needed development, and (ii) follow recommendations of the New York State Prison Redevelopment Commission to reimagine what is possible with closed, substandard and underutilized correctional facilities.

The Project is projected to result in an investment of over \$90 million in Harlem while concurrently helping to address the housing crisis and create jobs. The Proposed Project will introduce up to 110 income-restricted homeownership units, thus creating a more affordable pathway to homeownership, offering an invaluable opportunity to build wealth through property ownership, and promoting equitable growth. The Proposed Project will also facilitate the construction of community-centric non-profit spaces as well as jobs with ambitious MWBE contracting and local hiring goals, all of which is expected to contribute to the enduring prosperity of the Harlem community. The reimagined site will fuse affordable homeownership with arts and culture spaces to become a vibrant community hub in Harlem, thereby returning the site to a productive use that will enhance its reintegration into the fabric of the surrounding community and promote New York State's commitment to increasing housing supply.

Absent the Project, the Project Site would remain largely unused and underutilized, which has resulted in substandard conditions that are expected to worsen over time. Such conditions also hamper and impede sound economic growth and development and impair or arrest the sound growth of the area surrounding the Project Site. In accordance with the UDC Act, the Project is expected to eliminate "substandard and insanitary conditions" and/or the proliferation of any such conditions in the future by demolishing an obsolete building that is unoccupied and underutilized and constructing income-restricted housing with space for community facilities and related services.

The Project is anticipated to create approximately 370 construction-related jobs (250 direct jobs immediately associated with the project and 120 indirect jobs from business spending resulting from direct activities), as well as 28 direct permanent jobs and 11 indirect permanent jobs at the Project Site. The Developer will endeavor to retain workers from the local community through subcontractor hiring, local outreach, and relationships with local community organizations.

V. SUMMARY OF ESSENTIAL BUSINESS TERMS

A. Transfer of Title to the Project Site

ESD will convey fee simple title to the Project Site by a deed to the Developer. The Developer will accept the Project Site in "as is, where is" condition, and will provide appropriate indemnification to ESD. ESD's lease to OGS and OGS's sublease to DOCCS will be terminated at title closing.

B. Restrictive Declaration

The Developer will execute a Restrictive Declaration that will be recorded against the Project Site and run with title to the land. The Restrictive Declaration will provide covenants by the Developer, which will be enforceable by ESD, to ensure that the Project is constructed in accordance with the GPP, Design Guidelines, any environmental controls stated in ESD's SEQRA review, and other applicable Project requirements.

C. Regulatory Agreement

New York State Homes and Community Renewal ("HCR") and New York City Housing Preservation and Development ("HPD") in connection with their provision of Project financing, each will enter into a Regulatory Agreement with the Developer, which will outline the terms and conditions under which the new residential building on the Project Site can operate as income-restricted housing, including affordability criteria, construction and maintenance standards, and resident protections.

D. Financial Terms

1. Purchase Price

Because ESD financed correctional facility improvements of the Project Site with tax exempt bonds, ESD retained bond counsel during our preparation of the RFP to inform the disposition structure. Even though bonds providing the original funding have been retired, federal and state restrictions and requirements continue for the correctional facilities bonds because the original bonds have been refunded by refunding bonds under the same resolutions and such refunding bonds may remain outstanding.

ESD's bond counsel has advised that in order to dispose of a facility financed with tax-exempt bonds issued under the Prison Construction Act to develop a privately-owned and operated income-restricted housing project, a specific action would be needed to permit the privatization of the Project Site without jeopardizing the tax-exemption of ESD's tax-exempt correctional facilities bonds. The required action is to transfer ownership or use of the Project Site for no consideration other than relief from the cost of maintaining and securing the property, which will become the

responsibility of the transferee. ESD bond counsel further has advised that a transfer of the property that has been financed with tax-exempt bonds for no consideration is in effect a grant of bond-financed property, a type of transaction that current federal tax regulations authorize as meeting the "Private Business Use Test" and "Private Payment Test."

Consequently, ESD will sell the land and existing improvements comprising the Project Site to the Developer for no consideration. The significant benefits to the surrounding community, City and State that will result from the redevelopment of a deteriorating, substandard and underutilized site to a much-needed income-restricted home ownership project further justify ESD's disposition of the Project Site for such purpose and need.

2. Cost Agreement and Imprest Account

Developer will fund all out-of-pocket, third-party expenses incurred by ESD and documented internal costs (with no mark-up) of ESD (other than general and administrative costs) in connection with the Project, including consultant, counsel and environmental consultant expenses. Developer has executed a Cost Agreement with ESD committing to fund these expenses and has maintained an imprest account with ESD per the Cost Agreement.

3. Project Financing

Developer will use its best efforts to diligently apply for financing from both private and public sources in such amounts and types as are necessary to develop and construct the Project. HCR and HPD will assist with facilitating public financing to support the Project.

4. Estimated Project Costs and Proposed Funding Sources:

Use of Funds			Permanent Sources of Funds		
Land Costs	\$0	0%	Housing Capital (NYS HCR/ NYC Housing Preservation & Development)	\$52,024,590	53%
Demolition Costs	\$5,089,040	5%	Sustainability* Grant (NYSERDA)	\$700,000	1%
Hard Costs	\$63,568,617	64%	Sales Proceeds	\$45,837,634	47%
Soft Costs	\$21,079,441	21%	-	-	-
Developer fee	\$8,825,126	9%	-	-	-
Total	\$98,562,224	100%	Total	\$98,562,224	100%

*Competitive grant funding has not yet been officially committed to the project.

5. Taxes

All applicable New York State and local taxes payable with respect to ESD's disposition of the Project Site and the Project will be paid by the Developer. New York City Council approval would be required for any complete or partial real estate tax exemptions that the Developer may seek from the New York City Department of Housing Preservation and Development pursuant to Article XI of the New York Private Housing Finance Law.

E. Demolition and Construction

It is anticipated that Developer will commence demolition no later than 6 months after Closing and commence new building construction of the Project no later than 12 months after Closing and will use best efforts in a good faith attempt to substantially complete construction of the Project no later than 38 months after Closing. Deadlines are subject to reasonable extension to reflect unavoidable delays, to be defined in the transaction documents.

Developer will provide ESD and HCR with guaranties of completion and performance or completion bonds, sub-guard default insurance and letters of credit or other forms of acceptable security guaranteeing performance and completion of construction of the Project.

VI. UDC ACT SECTION 10(c) and 10(g) FINDINGS; PUBLIC PURPOSE

ESD, pursuant to Section 10 of the UDC Act, makes the findings set forth below. The findings are supported and complemented by the determinations and statements of fact described in ESD's Environmental Assessment ("EA") and supplemental analyses prepared pursuant to SEQRA and in the *Lincoln Correctional Facility Existing Conditions Report* (the "Conditions Survey"), which was prepared on behalf of ESD by AKRF, Inc. and Old Structures Engineering.

A. Land Use Improvement Project Findings: UDC Act Section 10(c)

(1) The area in which the Project is to be located is a substandard or insanitary area or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.

Considered as a whole, the Project Site is substandard, significantly underutilized and characterized by blighted and substandard conditions or is in danger of becoming a substandard or insanitary area that, without the Project, could impair or arrest the sound growth and development of Harlem and surrounding areas of the City. The conclusion that the Project Site is substandard or insanitary, as those terms are used in the UDC Act and have been interpreted by New York case law, is supported by the Conditions Survey, which found the following conditions at the Project Site that

inhibit and would continue to inhibit its development and productive use without ESD's intervention:

Building and Site Physical Conditions: The assessment of Project Site building and property conditions found evidence of substandard and insanitary conditions that could impair or arrest the sound growth and development of the Project area. The Conditions Survey identified instances of deteriorated exterior conditions ranging from food waste and debris at many locations on the sidewalk, crumbling concrete at a set of stairs, and missing bricks and windows on the building façade.

The existing building on the Project Site has numerous architectural and structural deficiencies including severely deteriorated roofing, a deteriorated and unsafe terra cotta cornice and parapet copings and plumbing and electrical systems that likely are deteriorated and inadequate.

Environmental Conditions: The Project Site has documented petroleum storage and spills, which may be present in the subsurface of the Project Site.

Property Utilization: The existing building is vacant and deteriorated. Without the Project, it is likely that the Project Site will remain vacant in the future, with continued deterioration of the existing structure and continued prevalence of substandard conditions. Furthermore, the vacant structure does not contribute to meeting any community needs, such as the provision of housing or community facility spaces.

Functional Obsolescence: The existing building on the Project Site contains architectural deficiencies and components that are out of compliance with the New York City Building Code and the Americans with Disabilities Act. There are several issues related to the façade, roofs, building interior, mechanical systems, energy efficiency, and accessibility that would need to be addressed for any adaptive reuse of the building. These issues would make it difficult to convert the existing building on the Project Site to modern residential uses.

Visual Character: The visual character of the Project Site is characterized by an inactive street wall with substandard conditions such as graffiti, litter, and visibly peeling paint. In its current condition, the existing building detracts from the visual character of the street and contributes to an uninviting streetscape and poor pedestrian experience.

In summary, the Project Site is burdened with an outmoded and underutilized building, potential subsurface impacts from historical operations at and around the Project Site, and the persistence of other substandard and insanitary conditions. Without the Project, the adverse conditions identified at the Project Site would likely persist.

(2) The Project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

The Project will clear, replan, reconstruct, and rehabilitate the Project Site by demolishing the existing vacant, substandard and underutilized former correctional facility and constructing a new income-restricted homeownership building with community facility spaces, thereby transforming the Project Site into a vibrant, mixed-use development.

The redeveloped Project Site will provide income-restricted homeownership with arts and culture spaces to become a lively community hub in Harlem, thereby returning the site to a productive use that will enhance its reintegration into the fabric of the surrounding community and promote NYS's commitment to increasing housing supply.

(3) The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Project will be constructed by a private developer, the new income restricted homeownership units will be privately owned, and appurtenant community facility space will be operated and managed by private entities. The Project has been planned with input from the community and elected officials to ensure that it is consistent with the sound needs of the surrounding neighborhood and the City as a whole.

There is a dire and well-documented need for affordable housing in the City and State of New York, and the costs of land and construction for residential developments in the private marketplace have increased dramatically. The private market alone is not able to meet the need for affordable housing, and accordingly, governmental entities at all levels must work together to help meet the crisis. ESD's collaboration with HCR and HPD to implement the Project and other affordable projects addresses the need for safe, sanitary and affordable housing accommodations that private enterprise alone cannot provide.

C. UDC Act Section 10(g)

There is a feasible method for the relocation of families and individuals displaced from the Project area into decent, safe and sanitary dwellings, which are or will be provided in the Project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment.

The Project Site currently consists of a vacant, unused and closed correctional facility building and there are no residential occupants on the site. Consequently, no residential relocation is required under UDC Act Section 10(g).

VII. OVERRIDES OF ZONING AND OTHER LOCAL REGULATION; DESIGN GUIDELINES; APPLICATION OF NEW YORK CITY CONSTRUCTION CODES

It is not feasible or practicable to construct the Project in accordance with existing zoning, which would restrict the Project from delivering an optimal amount of affordable housing, community facilities and other amenities necessary to fulfill the Project's stated public purpose and need. Therefore, in order to implement the Project, ESD will override all inconsistent provisions of the New York City Zoning Resolution ("ZR") and other inconsistent local laws and requirements, as applicable, in accordance with the UDC Act and implement development and design controls (known as "Design Guidelines") and other requirements in lieu of local zoning. The Design Guidelines will address, among other things, use, bulk, and dimensional parameters that will be applied to the proposed redevelopment in lieu of zoning.

Currently, the Project Site is primarily zoned R8, with the northern portion zoned R7-2 to a depth of less than 20 feet. R8 districts are residential districts that contain eight-story to ten-story buildings built from the lot line, or taller residential buildings with setbacks. R8 districts have a maximum FAR of 6.02 in the Manhattan core and on narrow streets and a maximum FAR of 7.2 on wide streets. Higher maximum FAR and heights are available for Inclusionary Housing Program buildings or for buildings that provide senior facilities. Off-street parking is required for 40 percent of dwelling units, but requirements are lower for income-restricted units or within the Manhattan core. Because the Project Site is located in a Transit Zone and is a Small Lot (a/k/a/ 10,000 square feet or less), no parking is required for income-restricted units.

R7-2 is a medium-density residential zoning district found throughout the City. R7-2 height factors encourage lower apartment buildings on smaller lots and taller apartment buildings on larger lots. Developers can also opt into Quality Housing regulations to build lower buildings with greater lot coverage and residential amenity space. On narrow streets or within the Manhattan core, the maximum FAR is 3.44; on wide streets outside of the Manhattan core, the maximum FAR is 4.0. Higher maximum FAR and heights are available for Inclusionary Housing Program buildings or for buildings that provide senior facilities. Off-street parking is required for 50 percent of dwelling units, but requirements are lower for income-restricted units or within the Manhattan core. However, as the Project Site is located in a Transit Zone and is a Small Lot (a/k/a/ 10,000 square feet or less), no parking is required for income-restricted units. Zoning overrides including but not limited to the following sections of the ZR will be implemented to support redevelopment of the Project Site in accordance with this GPP and the Design Guidelines:

- ZR Section 23-153: Open Space and Floor Area Regulations in R6 through R10 Districts for Quality Housing Buildings.

This section of the ZR permits a maximum FAR of 7.2 on the Project Site; the override will allow for a maximum FAR of 14.0 on the site (12.0 residential FAR and 2.0 community facility FAR).

- ZR Section 23-662: Height and Setback in R6 through R10 Districts

This section of the ZR permits a maximum building height of 130 feet on the Project Site; the override will allow for a maximum building height of 240 feet on the site.

- ZR Section 28-22(b): Standards for Recreation Space

This section of the ZR requires the minimum dimension of any recreational space to be 15 feet and the minimum size of any indoor recreational space to be at least 300 square feet; the override will allow an indoor recreational space on the Project Site less than 15 feet in dimension and less than 300 square feet in size.

The City of New York, through the Department of City Planning, has been advised and has provided input on the proposed Project, pursuant to UDC Act Section 16(1).

Subject to the Design Guidelines and any applicable zoning overrides implemented by ESD, the New York City Building and Construction Codes will apply to all construction, buildings, structures, and infrastructure to be developed and maintained on the Project Site. The permitting authority for the purposes of the Building Code is the New York City Department of Buildings.

VIII. ENVIRONMENTAL REVIEW

Pursuant to SEQRA, ESD, as the SEQRA lead agency for the Project, has determined that the Project is an "Unlisted" action under SEQRA and has prepared an Environmental Assessment that evaluates whether the Project may have any significant adverse impacts on the environment. ESD's review under SEQRA has concluded that the Project, implemented in accordance with the GPP, will result in no significant adverse impacts to the environment.

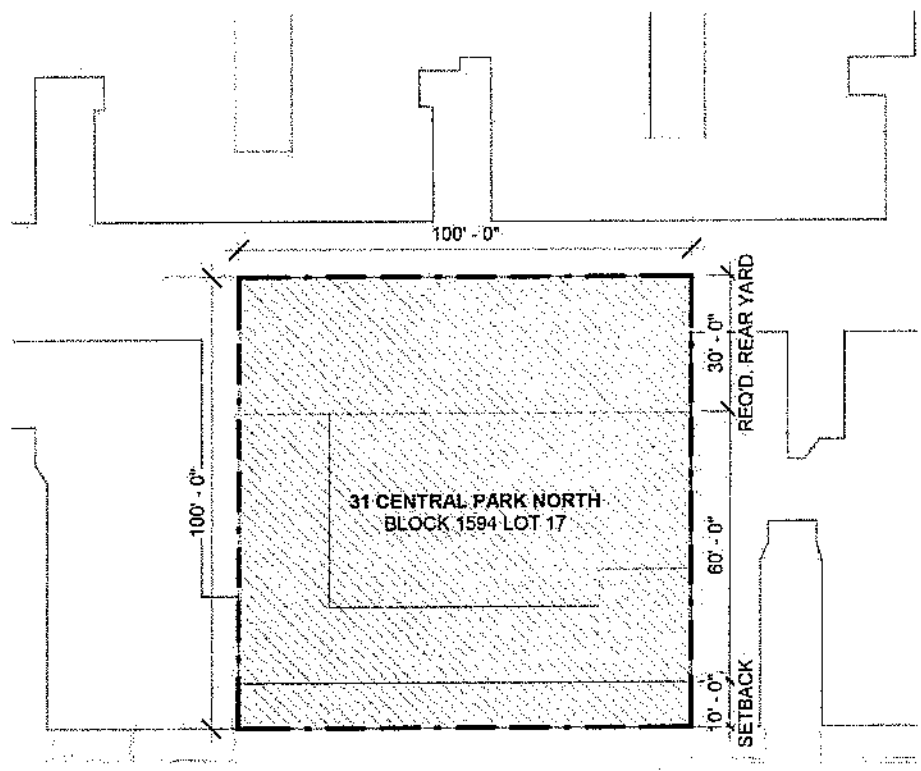
IX. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY REQUIREMENTS

HCR's Office of Economic Opportunity & Partnership Development will be the central entity managing compliance of goals for the Project related to utilization of Minority- and Woman-Owned Business Enterprises ("MWBE") and Service-Disabled Veteran-Owned Businesses ("SDVOB"). The Developer will be required to include minorities and women in any job opportunities created, to solicit and utilize MWBE and SDVOB for any contractual opportunities generated in connection with the construction of each Project phase, and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2) to achieve an overall MWBE participation goal and SDVOB participation goal related to the total value of hard costs and soft costs of such construction. HCR will establish specific goals, which will be detailed in a *Minority and Women-Owned Business Utilization and Service-Disabled Veteran-Owned Business Agreement* that the Developer will enter into with HCR at the financing for each phase.

Attachments

Exhibit A: Project Site Plan

Exhibit A: Project Site Plan



110TH STREET
CENTRAL PARK NORTH
(90 FT WIDE STREET)

LEGEND

- MIXED USE
(RESIDENTIAL AND
COMMUNITY FACILITY)
- PARCEL BOUNDARY