

Restored Homes Housing Development Fund Corporation

EAST NEW YORK BASE COLLABORATIVE
BASEMENT APARTMENT CONVERSION PILOT PROGRAM
(BACPP)

RENOVATION AND LEGALIZATION OF
BASEMENT OR CELLAR APARTMENTS
PER LOCAL LAW INTRO. 1004-A

REQUEST FOR QUALIFICATIONS

General Contractors

ISSUE DATE: March 22, 2019
RFQ RESPONSE DUE DATE: April 5, 2019

Questions should be submitted to mcolley@neighborhoodrestore.org

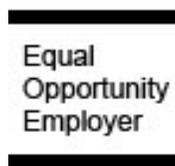


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I. REQUEST FOR QUALIFICATIONS

This Request for Qualifications (RFQ) is being issued by Restored Homes Housing Development Fund Corporation (Restored Homes) to identify experienced General Contractors interested in participating in a pilot program that seeks to renovate and legalize basement/cellar apartments located within Brooklyn's Community District #5 (the Basement Apartment Conversion Pilot Program", "BACPP" or "the Program"), as per proposed legislation (Local law Intro. 1004-A) recently adopted by the New York City Council and signed into law by Mayor DeBlasio on March 4, 2019. The new law seeks to alter, on a pilot basis, the existing New York City Building Code to assess the feasibility of a legal conversion of basement/cellar apartments. This RFQ is being issued on behalf of the East New York BASE Collaborative ("ENYBC"), a consortium of non-profits partnering with the Department of Housing Preservation and Development ("HPD") to administer the Program. Qualified General Contractors will be selected from among the list of Applicants who qualify through this RFQ. **It is important to note that not all Applicants deemed qualified may be selected to participate in the Program.**

INTRODUCTION

Description

This RFQ seeks to qualify responding organizations ("Applicants") interested in participating in the Program as General Contractors to renovate and legalize basement/cellar apartments located in Brooklyn's Community District #5. This is a time and space limited program. Participants are pre-screened and participation cannot be guaranteed. The New York City Council recently adopted legislation authorizing changes to the existing New York City Building Code to allow for the legalization of basement/cellar apartments and provides a new financing program for the renovation that will be available to a limited number of eligible homeowners. **Please note that the legislation is time limited and allows, from effective date of legislation, 18 months to submit complete construction documents to DOB for review. However, General Contractor services will be required to go beyond the 18 months submission timeline, through construction completion and issuance of a new certificate of occupancy.**

East New York Base Collaborative ("ENYBC") - Program Partners

Restored Homes Housing Development Corporation

Restored Homes is a non-profit organization which specializes in the rehabilitation of vacant and foreclosed 1- to 4- family homes in neighborhoods in need of stabilization throughout New York City. Since 2005, Restored Homes has administered a number of homeownership programs in collaboration with HPD, the US Department of Housing and Urban Development ("HUD"), the New York State Housing and Community Renewal ("HCR") and the New York City Housing Authority ("NYCHA") which resulted in the acquisition, renovation and sale of over 200 affordable homes to low and moderate-income families throughout New York City.

Given its extensive experience with the rehabilitation of 1-4 family homes, Restored Homes has also provided technical assistance and construction management and monitoring services to other organizations, primarily in relation to Superstorm Sandy recovery efforts. Working with an affiliate of the Local Initiative Support Corporation ("LISC"), Neighborhood Revitalization NYC ("NRNYC"), Restored Homes provided scoping and construction monitoring services for their Home Repair Program, a \$19 million philanthropically-funded repair effort that assisted and repaired over 500 homes damaged by Superstorm Sandy. A member of ENYBC, Restored Homes is responsible for the coordination and oversight of all construction-related predevelopment activities and will monitor the renovation of the homes included in the Program.

Cypress Hills Local Development Corporation ("CHLDC")

CHLDC is a 35-year old Brooklyn based non-profit community development organization with a mission of helping Cypress Hills and East New York residents achieve educational and economic success, secure affordable housing, and develop leadership skills to transform their lives and communities. CHLDC serves 11,000 Cypress Hills/East New York residents each year with services such as affordable housing development, workforce development, adult education, afterschool and summer programming for young people, financial literacy and foreclosure prevention counseling, college access and college persistence services, community organizing for tenants and students, and promotion of access to healthy foods and other efforts to make the neighborhood green and sustainable. Since its founding in 1985, CHLDC has developed 531 affordable housing units through a multitude of government-funded programs, with more housing development opportunities in the pipeline.

CHLDC will be in contract with HPD as the lead agency managing the program and ENYBC partners and be primarily responsible for the pre-screening and intake of applications from interested homeowners, provide counseling to determine eligibility, and enter into development agreements with homeowners who are eventually selected to participate in the Program. CHLDC will also enter into contracts with its Program Partners and, through its ENY BASE HDFC, with architects, engineers, contractors, and any other 3rd party vendors to carry out this work.

Center for New York City Neighborhoods (“CNYCN”)

CNYCN is a citywide non-profit housing advocacy group that serves to promote and protect affordable home ownership in New York City to help build strong and thriving middle-and-working class communities. It offers help to homeowners in mortgage distress, help combat scams directed at homeowners through counseling and referral to legal services, provide foreclosure counseling and prevention services, and help needy homeowners with repairs and retrofit assistance. CNYCN will be responsible for data quality and collection, database design, and serve as fiscal agent for release of Program loan (hard costs) funds.

CHHAYA CDC (“CHHAYA”)

CHHAYA is a non-profit housing agency created to help promote and advocate for the housing needs of New York City's South Asian Communities. CHHAYA will be responsible for tenant counseling and identifying relocation resources to help existing tenants or occupants in these basement/cellar apartments relocate prior to commencement of renovation.

PRATT Center for Community Development (“PRATT”)

PRATT is a New York City community development resource center affiliated with the PRATT Institute, conducting advocacy work on behalf of and providing technical expertise to community development corporations and community-based organizations. Its role will be to create the Program guidebook that will include “FAQs” and checklists for homeowners, and also prepare program marketing materials.

II. Contractors’ Role

As a member of ENYBC, Restored Homes is responsible for construction-related predevelopment activities and will oversee renovation up to and including signoffs and issuance of a final Certificate of Occupancy from the Department of Buildings (“DOB”). For assistance with the development and renovation processes, ENY BASE HDFC will contract with architects, structural engineers, contractors and any 3rd party vendor related to construction and predevelopment activities.

General Contractors will be responsible to carry out all renovation work per the DOB approved plans and relevant governmental agency approvals -- inclusive of all required environmental abatements – in compliance with the approved architectural plans and scope of work for each home. General Contractors are to perform all work in a manner acceptable to Restored Homes and CHLDC, and in compliance with health and safety standards and acceptable trade/industry practices. General Contractors will be responsible to obtain all DOB signoffs and secure a final Certificate of Occupancy at the completion of each job. **No Temporary Certificate of Occupancy will be allowed/accepted in this Program.**

III. REQUEST FOR QUALIFICATION PROCESS

This RFQ has been issued to determine the eligibility of “Applicants” to serve as General Contractors in the Program. A pre-qualified list of General Contractors will be compiled from which to select for participation in the Program. **It is important to note that not all Applicants deemed qualified may be selected to participate in the Program.**

A. Submission of Applications

On or before the submission deadline date, Applicants must submit their qualifications in accordance with the instructions and attachments contained in the RFQ. Submission of qualifications shall be deemed to be permission by Applicants for Restored Homes to make inquiries concerning the Applicants as deemed necessary.

B. Review and Selection

Applicants must meet the threshold requirements outlined in the RFQ to be considered for participation in the Program. Failure to meet these threshold requirements or to provide the complete information required in the RFQ will disqualify the Applicants from consideration in the Program.

Restored Homes will review the responses to the RFQ and identify eligible General Contractors. To be considered eligible, Applicants must be legally licensed under applicable laws in New York State and must meet the following qualifications:

- Demonstrated prior experience in designing housing in accordance with applicable codes, standards, rules and regulations
- A business that can demonstrate three or more years of proven experience
- Experience with the design and construction of moderate and gut rehabilitation of 1- to 4- family scatter site properties in New York City
- Demonstrated capacity to deal with these types of projects in an expedited fashion
- Familiarity with HPD rehabilitation guidelines and DOB requirements
- Demonstrated ability to work successfully with government and not-for-profit organizations
- Experience in green, energy-efficient building standards and practices
- Demonstrated commitment to working with Minority and Woman Owned Businesses (MWBE)
- Any demonstrated experience in work related to the legalization of basement/cellar dwellings is helpful.
- Maintain required insurance: Evidence of general liability, umbrella, workers compensation and disability insurance coverage are required for participation in program. Coverage limits to be determined.
- Satisfactory Sponsor Review at HPD is mandatory for Program participation

Selection of Applicants under this RFQ means only that Restored Homes has determined that such Applicants meet the requirements set forth in this RFQ to participate in the Program.

IV. PROGRAM GUIDELINES

A. Execution of Contract for Services

To be considered eligible General Contractors, Applicants will be required to execute a contract with ENY BASE HDFC. The contract will outline the general terms including a generic Development Timeline and will outline the deliverables, terms of payment and insurance requirements associated with each designated basement/cellar apartment. The contracts may be amended from time to time to allow for the assignment of additional properties.

B. Site Assignment

General Contractors must agree to take basement/cellar apartments in clusters that are assigned regardless of the number assigned. Note: Homes may close one at a time to start construction. However, EBNYC is cognizant of the need to have economies of scale in the assignment of basement/cellar apartments to make it economically worthwhile for Applicants. **Failure to accept assigned basement/cellar apartments will disqualify Applicants from further consideration in the Program.**

C. Rehabilitation Services

General Contractors are required to provide the following services:

- 1) Work closely with CHLDC, Restored Homes, architects, engineers and homeowners in reviewing the detailed scopes of work, hard cost budgets and Development Timelines associated with the renovation of basement/cellar apartments in their clusters and enter into a contract with ENY BASE HDFC.
- 2) Establish with architects and Restored Homes a routine site inspection schedule during renovation and submission of requisitions to Restored Homes for funding.
- 3) Be prepared to conduct differing levels of renovation work from home repairs to gut renovations. All proposed work will require filings with the DOB Alteration 1 for a new certificate of occupancy, and it is the General Contractors' responsibility to secure and close all permits and obtain a final certificate of

occupancy for each renovated basement/cellar apartment. Alt 2 filings may be required to address critical repairs needed in other parts of home that may impact legalization work in basements/cellars.

- 4) Ensure compliance with Restored Homes' deadlines for delivery of construction services. Some assignments will involve priority work, which will require immediate attention. Full payment of task fees assumes that agreed upon timetables are satisfactorily met and work is completed to the satisfaction of Restored Homes.
- 5) Maintain adequate staff to undertake the renovation work required. Prior to the start of the contract, General Contractors shall submit to Restored Homes for approval a staffing plan with information on the staff to be employed during the contract. Restored Homes reserves the right to request additional staff or to require the replacement of nonproductive staff members when deemed necessary. General Contractors may choose to retain non-employees or consultants to perform work pursuant to the contract; however, Restored Homes will not reimburse for use of such consultants.
- 6) Hire and monitor all work performed by subcontractors to ensure that the work being performed is of quality workmanship, is in compliance with the scope of work and building plans, and that subcontractors are in compliance with the terms and conditions of the General Contractors' contract. Special consideration will be given to General Contractors working with MWBE firms. General Contractors will work with architects, engineers, homeowners and Restored Homes in the selection of materials, the progress of the rehabilitation and sign offs for completion of the basement/cellar apartments.

D. General Program assumptions include the following:

- Basement/cellar apartments will be redesigned as required per building code, including revised code per Local Law Intro. 1004-A, Fire Code, Housing Maintenance Code, and any other regulations with existing partition layouts to be maintained only where possible and appropriate.
- Illegal additions or modifications will be removed
- Contaminated materials will be abated, including lead and asbestos
- Sprinkler systems to be installed in all basement/cellar apartments
- For all other measures required, please refer to the proposed legislation, Local Law Intro. 1004-A attached

The extent of the work associated with the Program will require an Alteration 1 filing with DOB that, upon completion of the work, will result in the issuance of a partial or amended certificate of occupancy for the basement or cellar only. The work will likely entail the moderate rehabilitation of existing basement/cellar apartments (excluding mechanical systems), and may include minor excavation, structural repairs, reframing of ceilings and walls, heating and hot water system connections to existing heating plants, new roughing and plumbing fixtures, new drains, sump and ejector pumps, sprinklers, environmental testing, and electrical re-wiring and installation of new light fixtures.

Restored Homes, architects and engineers will work with General Contractors to plan, implement and complete the renovation work in a professional and timely manner. Restored Homes, architects and engineers will monitor the quality of the work and timeliness of the performance of the General Contractor.

Restored Homes staff will provide oversight of the pre-development, design and construction phases of the basement/cellar apartments, in partnership with CHLDC. Such oversight will include status meetings and reports by architects, conducting site visits and approving both pre-development and construction related expenditures.

E. Program Development Timeline

The Program's overall development timeline is estimated to be up to 12 months. On average, the renovation work will likely be six months, but should not exceed 12 months from start date of renovation. However, the timeline ultimately depends on the scope of work. Restored Homes requires that General Contractors abide

by and fulfill the timelines stipulated for each respective basement/cellar apartment as per the contract. A detailed generic Development Timeline is included in **Appendix I** that will be used for the Program.

F. Obligations of General Contractors

The Development Timeline deadlines for General Contractors are non-negotiable. In its contract with the ENY BASE HDFC, the General Contractors accept responsibility for meeting deadlines in the Development Timeline and subsequent amendments and for complying with enforcement provisions. Restored Homes will establish these deadlines using the appropriate generic Development Timeline as a starting point and adjusting it to reflect the actual building conditions and required scope of work for designated basement/cellar apartments. ***Under no circumstances will a contract be signed with General Contractors that extends the completion of renovation and obtaining a final amended or partial certificate of occupancy beyond the established timeline in Appendix 1.***

Restored Homes will review the project status on a weekly basis to determine if General Contractors are on schedule. If a General Contractor misses one or more deadlines, Restored Homes' staff will notify its Program Partner, CHLDC, about the viability of invoking the enforcement provisions outlined in the contract, up to and including the termination of the contract and reassigning all properties to another General Contractor.

As part of the construction contract, General Contractors will be required to provide a cash collateral payment. The amount of the cash collateral will be based upon a percentage of the contract amount. Restored Homes will also require General Contractors to have active disability and worker's compensation and liability insurance in place during the duration of the contract, and also ensure that all subcontractors obtain proper insurance.

G. Warranties

General Contractors will be required to warrant to the Program and homeowners that all renovation work will be free from defects in workmanship for a period of one year from the date of the issuance of a final amended or partial certificate of occupancy or closeout date, whichever is later. General Contractors will be responsible to handle all punchlist and warranty repair issues in a timely and professional manner.

H. Reporting Requirements

General Contractors may be required to provide reports to satisfy HPD, Restored Homes and other Program Partners. These reports will be in a format acceptable to all these parties. These reports where required, may provide information on basement/cellar apartments within the contract including status of repairs, scopes of work issues, RFI issues, potential problems requiring resolution, possible change orders or credits and the overall progress of renovation work.

I. General Contractor Payments

At the commencement of the renovation of each basement/cellar apartment, Restored Homes will determine the approved construction costs. All requisitions for funding for hard costs and change orders must be approved by Restored Homes and the architect. Restored Homes will closely monitor spending according to the approved budget levels. All change orders must be submitted by General Contractors to Restored Homes and the architects in writing for approval prior to commencing the work. Any unauthorized spending above the Restored Homes approved budget will be the responsibility of General Contractors. CHLDC will issue payment to General Contractors directly upon the submission, approval and funding of a completed payment application.

V. SELECTION CRITERIA

A. Threshold Criteria

The application must include all required information and must be deemed complete by Restored Homes and CHLDC. Upon review, Restored Homes, at its discretion, may notify Applicants that additional information or clarification is necessary. Failure to meet any of the requirements listed below may result in the rejection of

the application. Restored Homes will review the responses to the RFQ and identify eligible General Contractors.

1. To be considered eligible, Applicants must be a legally licensed General Contractor in New York State and must meet the following qualifications:
 - Demonstrated prior experience in designing housing in accordance with applicable codes, standards, rules and regulations;
 - A business that can demonstrate three or more years of proven experience;
 - Experience with the design and construction of moderate and gut rehabilitation of 1- to 4- family scatter site properties in New York City;
 - Demonstrated capacity to deal with these types of projects in an expedited fashion;
 - Familiarity with HPD rehabilitation guidelines and DOB requirements;
 - Demonstrated ability to work successfully with government and not-for-profit organizations;
 - Experience in green, energy-efficient building standards and practices; and
 - Demonstrated commitment to working with Minority and Woman Owned Businesses (MWBE).
 - Maintain required insurance: Evidence of general liability, umbrella, automobile, workers compensation and disability insurance coverages are required for participation in Program. Coverage limits to be determined.
 - Pass HPD sponsor review
2. Applicants must have “comparable development experience,” defined by the successful completion as General Contractors of the substantial rehabilitation of scatter-site residential projects containing at least three homes with at least 1- to 4- dwelling units in New York City in the last three years.
3. An Applicant may be rejected at any time during the evaluation process if adverse findings are made with regard to the Applicant or any of its principals or related entities, including, but not limited to, adverse findings with respect to any of the following:
 - Past or pending government or private mortgage foreclosure proceedings or arrears with respect to any property owned or managed by the Applicant.
 - Past or pending governmental tax or lien foreclosure, or substantial tax arrears.
 - Findings of tenant harassment or a pending case of harassment
 - Arson, fraud, bribery, or grand larceny conviction or a pending case
 - Past or pending default on any obligation to, unsatisfied judgment or lien held by, or contract with, any governmental agency
 - Past or pending suspension, debarment, or finding of non-responsibility by any government agency
 - A past or pending voluntary or involuntary bankruptcy proceeding
 - A negative history with any other government agency
 - A negative history with Restored Homes or CHLDC
 - Litigation/Indictments

B. Competitive Criteria

For all Applicants that pass all minimum threshold criteria, the following competitive criteria will be considered:

- Quality and Extent of Previous Development Experience: Restored Homes will consider the following factors: (i) quality of construction in completed projects or those under way; (ii) number and size of projects previously completed; (iii) Completion of rehabilitation projects with green building requirements/elements;
- Certified New York State and New York City MBWE General Contractors and/or General Contractors committed to working with MWBE certified subcontractors;

- Likelihood of Early Construction Start: Restored Homes will consider Applicant's track record in delivering projects on time and within budget;
- Organizational Capability: Applicants should demonstrate that they possess sufficient capacity to undertake the project, including effective staffing, record keeping abilities and overall organization. This includes the experience, qualifications and stability of staff who would be involved in the project;
- Financial Capacity: This includes financial stability of the organization and the quality of its financial management;
- Housing Experience: This includes both the extent and quality of experience in providing contracting services for housing for low- and moderate- income households; and
- Current Capacity: The Applicant's current workload in relation to its staffing and other resources will be evaluated to determine whether it has the capacity to provide renovation services within the time frame required by this RFQ.

VI. SUBMISSION REQUIREMENTS

Fastened original of the Applicant's qualifications, including all documentation requested, as described below, must be submitted by ALL APPLICANTS in response to this RFQ. Restored Homes will also accept electronically sent applications provided they are complete with all attachments and fully executed. Submission of an incomplete application may be grounds for disqualification of the Applicants.

Delivery submissions must be organized in a three-ring binder. Each copy of the qualifications must be clearly labeled with tabs as indicated below. The tabs should run down the right-hand side of the submission. The application must be signed by an authorized representative of the Applicant. Also, the application must be clearly labeled with the name of the Applicant on the cover.

PLEASE NOTE THAT EACH APPLICATION OF THE APPLICANT'S QUALIFICATIONS MUST CONTAIN THE FOLLOWING FORMS AND SUPPORTING DOCUMENTATION AS STATED BELOW.

A. Contents of Submission

TAB A - Applicant Questionnaire

Complete the forms contained in Tab A.

For Applicants that are joint ventures or newly formed business partnerships, provide a separate Questionnaire for each entity that comprises the joint venture.

For Applicants that are newly formed business entities, the forms and documentation listed below should be completed or provided for the entity or entities providing the renovation experience.

TAB B - Residential Development Experience

General Contractors must have three years of experience in rehabilitation of scatter-site residential projects with at least 1- to 4- dwelling units in New York City.

A completed Residential Development Experience form (Tab B) is required for each entity. List all projects that have been completed within the last three years or that are in construction, in pre-development or have otherwise been committed. The spreadsheet can be provided in an alternate format as long as it contains the information required in a clear and concise way.

TAB C - Principal's Property Listing

A completed Property Listing Form (Tab C) for the Applicant and each principal of the development team, listing all properties owned (defined as more than 10% ownership) within the last three years, either directly by the principal(s), or by an organization in which the principal(s), was a corporate officer, general partner, or held more than a 10% interest.

TAB D - Assets Statement

A current financial statement for the Applicant and each principal (i.e. within 12 months of the date of submission of this application) for the two most recent years are required. This statement may be provided on the form included in Tab D, or in another format, provided that all required information is included.

TAB E - Credit Authorization Form

Completed and signed credit authorization form for each principal and Applicant.

TAB F – Organization Description

The organization description shall include resumes for proposed members of the development team and staff members who would work in this Program.

B. Submission Due Date

All submissions become the property of Restored Homes and ENYBC. Submissions shall be delivered by hand or via delivery service (FedEx/UPS/mail, etc.) or electronically to the address as follows:

Restored Homes HDFC
Attn: Momodou Colley
150 Broadway, Suite 2101
New York, NY 10038
(212)584-8981 x13
mcolley@neighborhoodrestore.org

All submissions must be received by COB April 5, 2019

Submissions will be promptly reviewed by Restored Homes. Interviews, site visits and/or additional information may be requested.

VII. TERMS AND CONDITIONS

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

- A. The proposed project shall conform to and be subject to the provisions outlined in the Local Law Intro. 1004-A as well as with the provisions of the Zoning Resolution (and all waivers) and all other applicable laws, rules, regulations and ordinances of all Federal, State, and City authorities having jurisdiction, as the same may be amended from time to time.
- B. Restored Homes is not obligated to pay nor shall in fact pay any costs or losses incurred by any Applicant at any time including the cost of responding to the RFQ.
- C. Restored Homes reserves the right to reject at any time any or all proposals and/or to withdraw this RFQ in whole or in part, to negotiate with one or more applicants, and/or dispose of the sites on terms other than those set forth herein. Restored Homes likewise reserve the right, at any time, to waive compliance with, or change any of the terms and conditions of this RFQ, and to entertain modifications and additions to the selected proposals.
- D. Designation of an Applicant for this Program will not create any rights on the Applicant's part, including without limitation, rights of enforcement, equity, or reimbursement, until a contract is executed.

VIII. CONFLICTS OF INTEREST

Current and former employees of the City of New York may respond to this Request only in accordance with Chapter 68 of the New York City Charter governing ethics and conflicts of interest affecting City personnel. Section 2604[©] (7) of the City Charter contains specific prohibitions that exclude enumerated groups of employees from participating in this program.

Persons in the employ of the City considering a submission are advised that opinions regarding propriety of their participation in this program 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 opinion on conflict of interest questions and other matters of ethical considerations. It is not necessary, however, that such an opinion be obtained prior to responding to this Request.

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

ENYBC staff are also subject to restrictions on employment and business relationships imposed by their employers.

Appendix 1 Development Timeline

Program's overall development timeline is estimated to be 36 months commencing with outreach to identify eligible homeowners to enroll in the Program, through renovation, sign off, and issuance of a new amended or partial certificate of occupancy. Upon issuance of a cluster to a General Contractor, Restored Homes will have already completed its pre-development activities and renovation is expected to commence as soon as DOB-filed plans are approved. On average, Restored Homes anticipates that renovation will be completed within twelve months of construction start. Given the differing types of renovation needs, Restored Homes will establish individual timelines for each basement/cellar apartment that is commensurate with the extent of the renovation.

A. PRE-DEVELOPMENT PHASE (Month 1 through Month 3) (Selection of Architect, Planning and Design Review, Scopes of Work, DOB Filings, Selection of General Contractors)

Restored Homes estimates that most, if not all, basement/cellar apartments enrolled in the Program will require approximately three months of planning and/or design to develop the required construction documents, specifications and DOB submissions and approvals. During that period, the development team is selected, the extent of the renovation work is determined, the timeline for its completion is agreed upon, and a General Contractor is chosen or would be chosen shortly.

Restored Homes, in conjunction with its Program Partners and homeowners participating in the program, will formulate and finalize the necessary scopes of work and architectural layouts for each basement/cellar apartment. All DOB filings will be Alteration 1 (amended or partial certificate of occupancy for the basement or cellar only) with full plan review. No professional certifications are allowed. As a guide, Restored Homes has compiled a set of rehabilitation standards which outline the level to which basement apartments in the program should be rehabilitated.

<u>Action</u>	<u>Deadline</u>
Home is selected to participate in the Program	Week 1
Restored Homes selects Architect from pre-approved list	Week 1
Program and Architect execute contract	Week 1
Architect and Restored Homes conduct site visit	Week 2
Architect prepares preliminary scope of work	Week 4
Architect completes schematic design phase	Week 4
Architect submits scope and schematic designs to Restored Homes	Week 5
Architect completes scope and schematic designs	Week 8
Architect submits construction documents to DOB	Week 8
Architect obtains final DOB approval	Week 12
Restored Homes meets contractors for bid walk throughs	Week 12
Restored Homes obtains formal competitive bids	Week 13

B. *CONSTRUCTION PHASE (MONTH 4 THROUGH MONTH 12)

In general terms, Restored Homes expects renovation to span about six months or longer, with another two months allocated on the back end to obtain signoffs and final certificate of occupancy. However, individual renovation timelines will be established for each basement/cellar apartment to reflect the extent of renovation required. Restored Homes anticipates that some of the basement/cellar apartments will complete renovation in less than six months. Renovation commences once a General Contractor Agreement has been executed and all DOB approvals and permits have been issued.

** Please Note: The schedule listed below applies to basement/cellar units with expanded scopes. Less extensive projects will require less time.*

<u>Action</u>	<u>Deadline</u>
Renovation commences	Month 4
Requisitions and construction monitoring	Monthly
Renovation completion	Month 9
Contractor completes punch list	Month 10
Obtain DOB sign off and Certificate of Occupancy	Month 12

TAB A

GENERAL CONTRACTOR RFQ
BASEMENT APARTMENT CONVERSION PILOT PROGRAM
APPLICANT QUESTIONNAIRE

ALL APPLICANTS SHALL COMPLETE THIS FORM AS WELL AS THE QUESTIONNAIRE THAT IS ATTACHED.

If the applicant is a joint venture, a separate Questionnaire and Attachment shall be provided for each entity that comprises the joint venture, as identified in Section 2 below. If the applicant is a newly formed joint venture or business, information on the entity with their rehabilitation and marketing and sales experience must be provided.

If additional space is needed, please submit separate sheet(s), identifying the question(s) being answered on each sheet.

See Section V, of the Request for Qualifications (RFQ) for detailed submission requirements.

1. NAME OF

APPLICANT: _____

ADDRESS: _____

Name of CONTACT PERSON: _____

(for the Applicant)

Address: _____

Telephone Number: _____

Fax Number: _____

E-Mail: _____

2. IS THE APPLICANT A JOINT VENTURE? YES [] NO []

If yes, list below the name, address, and phone number of each entity which comprises the applicant entity stated above, and the percentage of ownership interest in the joint venture.

Name of Entity

Address

% of Ownership

APPLICANT NAME: _____

NAME OF ENTITY COMPLETING THIS QUESTIONNAIRE: _____

(If other than applicant, i.e. joint venture)

- (f) Identify for profit and non-profit developers and architects that you have worked with in the past? Describe the extent of the work you have performed for these entities.

- (g) Describe any experience or other factors that would demonstrate your knowledge and experience in rehabilitating scatter-site 1-4-unit housing in New York City. Describe your process in ensuring that the work is completed in timely and workmanship like manner.

- (h) How does your organization handle post-construction warranty issues? What is the turn-around time for responding to these issues? How do you monitor service responses?

- (i) Describe any experience your organization has with green building construction. Include any professional certifications and identify completed or in-process projects.

- (j) Identify any Minority or Women Owned Businesses (MWBE) certified with New York City and/or New York State that you have worked with and plan to work with should you be selected to participate in this Program including your organization. Please provide business names and trades.

5. ORGANIZATIONAL STRUCTURE

(a) Type of Organization: Sole proprietorship [] Partnership []
 Corporation [] Not-For Profit []

(b) For corporations or partnerships: provide the following information about all partners, officers, and shareholders. For non-profits list your board members and officers.

Name Position/Title	Percentage of Ownership	Date of Ownership

(c) Do any principals and/or officers maintain a business relationship with or have an ownership interest in another company?
 Yes [] No []

If yes, provide the following information:

Name of Principal/Officer	Name, Address, Tel. # of Affiliated Company	Position with and % Interest with Company

- (d) Is company owned in full or in part by another firm or investor(s)? Yes [] No []
 If yes, provide the following information:

Name of Firm/Investor	Address and Phone	% of Ownership

6. EXPERIENCE

- (a) Complete the form below (TAB B) for your organization. If any key member has had other experience that you consider relevant to your organization's qualifications, provide a separate form for each such individual:

7. REFERENCES

Provide the name, address, telephone and fax numbers, and e-mail addresses (if available) of at least three business references whom we may contact regarding your residential development experience. For each, identify the home or homes about which the individual is informed. References may include building owners, lenders, architects, engineers, homeowners, and other development professionals with whom you have worked in the past.

8. OTHER

Has any principal identified on page 1, or any organization in which the principal is or was a general partner, or corporate officer, or owned more than 10% of the shares of the corporation been the subject of any of the following:

- A. Past or pending government or private mortgage foreclosure proceeding or arrears;
- B. Past or pending government tax or lien foreclosure, or substantial tax arrears;
- C. Findings of tenant harassment or a pending case of harassment;
- D. Arson, fraud, bribery or grand larceny conviction or a pending case;
- E. Past or pending default on any obligation to, unsatisfied judgment or lien held by, or contract with, any governmental agency;
- F. Past or pending suspension, debarment, or finding of non-responsibility by any government agency;
- G. A past or pending voluntary or involuntary bankruptcy proceeding;
- H. A negative history with any other government agency;
- I. A negative history with Restored Homes or with CHLDC
- J. Litigation/Indictments

YES	NO

If yes, please state the following information:

(1) Name of principals: _____

(2) Name of organization/corporation and if an officer, state title:

(3) Date of action: _____

(4) Current status of action: _____

(5) Explanation of Circumstances: _____

9. CERTIFICATION

[This certification must be signed by one of the Individuals listed above; if the Respondent Entity is a joint venture, an Individual representing each Principal of the joint venture must sign it.]

I certify that the information set forth in this application and all attachments and supporting documentation is true and correct. I understand that ENYBC and Restored Homes will rely on the information in or attached to this document and that this document is submitted to induce the Restored Homes to select us as a General Contractor.

I understand that this statement is part of a continuing application and that until such time that the Program basement/cellar apartments are finally and unconditionally approved by ENYBC and Restored Homes for admission into the program I will report any changes in or additions to the information herein and will furnish such further documentation or information as may be requested by ENYBC or any agency thereof.

I understand that if I am selected as a General Contractor, I must submit all additional disclosure forms required.

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

TAB B
BASEMENT APARTMENT CONVERSION PILOT PROGRAM
 RESIDENTIAL DEVELOPMENT EXPERIENCE
 LAST 3 YEARS
 (New Construction or Rehabilitation)

NAME OF APPLICANT: _____

NAME OF INDIVIDUAL/ORGANIZATION completing this form: _____

Instructions: Please list property addresses separately even if they are part of a multi-site project. Fill out form completely and use as many forms as necessary to list **ALL** experience in the last 5 years.

ADDRESS Bldg. #, Street, City, State, Zip	PROJECT NAME	BORO	CB *	CD**	PROJECT TYPE		# OF UNITS	TOTAL DEV. COST	GOV'T PROGRA M	STATUS		WORK TYPE (6)	MO/YR COMPL	OWNER (Contact Name & Phone No.)
					N/R/M (2)	R/C/H/O (3)				O/V (4)	P/I/M/C (5)			

(1) ROLE: Indicate the role you played in the development of each property listed above. If completed as part of a joint venture, indicate such by adding JV to the respective role.
 e.g. D/JV
 D = Developer
 B = Builder
 GC = General Contractor/Construction Manager
 AR = Architect
 E = Engineer
 O = Other

(2) PROJECT TYPE
 N = New Construction
 R = Substantial Rehab
 M = Moderate Rehab
 * **Community Board/
 Planning District**
 ** Council District/
 Congressional District

(3) PROJECT TYPE
 R = Rental
 C = Co-op/Condo
 H = 1-4 Family
 O = Other (Specify)

(4) STATUS
 O = Units occupied during rehab
 V = Units vacant during rehab

(5) STATUS
 P = Pre-development
 I = In-construction
 M = In - Marketing (Lease up or sales)
 C = Completed

(6) WORK TYPE
 1 = Alteration 1
 2 = Alteration 2

TAB D
BASEMENT APARTMENT CONVERSION PILOT PROGRAM
ASSETS STATEMENT

Assets Statement must be dated and signed on PAGE THREE

Assets Statement must describe financial status within the last twelve months

Financial Statement is submitted for (check one):

- INDIVIDUAL
- CORPORATION
- LIMITED PARTNERSHIP
- NOT-FOR-PROFIT
- OTHER (Specify): _____

SECTION 1 - PERSONAL INFORMATION	
Name:	
Business Name:	
Business Phone/Fax:	
Marital Status:	
Residence Address:	
City, State, Zip Code:	
Business Address:	
City, State, Zip Code:	
Position (Title):	
Years of Service:	Bonus/Commission:
Other Income:	Source:
Gross Life Insurance:	
Beneficiaries:	
Are you a defendant in any lawsuits or legal action? If so, describe below:	
Have you ever declared bankruptcy? If so, describe below:	
Do you have any contingent liabilities? If so, describe below:	

SECTION 2 - STATEMENT OF FINANCIAL CONDITION AS OF:			
ASSETS	DOLLARS (Omit Cents)	LIABILITIES	DOLLARS (Omit Cents)
Cash on Hand and in Banks		Notes Payable to Banks - Secured	
		Notes payable to Banks - Unsecured	
Notes Receivable		Notes Payable to Others - Secured	
Real Estate (See Schedule A)			
Mortgages Owned		Notes Payable to Others - Unsecured	
indicate primary residence			
(list separately and check		Debt Balances in Margin	
those pledged as collateral)		Accounts with Brokers	
Marketable Securities			
(list separately and check		Loans Against Life Insurances	
those pledged as collateral)		Mortgages on Real Estate	
		(See Schedule A)	
		Other Liabilities (Itemize)	
Cash-Value Life Insurance			
Other Assets *(Itemize)			
		Total Liabilities	
		Net Worth	
TOTAL		Total Liabilities & Net Worth	

* ANY INTEREST IN A CLOSELY HELD BUSINESS MUST BE DOCUMENTED BY PROVIDING A CURRENT BALANCE SHEET FOR THAT BUSINESS AND STATING THE PERCENT INTEREST THAT THE APPLICANT HOLDS.

SCHEDULE B INCOME FROM PROPERTIES					
Property No. (Refer to Schedule A)	1	2	3	4	5
Present Annual Gross Income Not Including Vacancies & Concessions					
Less Total Operating Expenses & Property Taxes					
Net Income					
Less Amortization & Interest Payments					
Net Profit					
Net Rental Value of Present Vacancies					
Annual Rental Value of Space on which lease expires during next six months					
Net Profit Last Year					
Amount & Classes of Insurance Carried					
List Other Encumbrances, Debits, Taxes, Mortgage Installments or Interest past due:					
By whom are Present Mortgage(s) on Property held?					
Any Mortgages endorsed or guaranteed? If so, by whom?					
List (circumstances of) any Litigation or Judgment(s) pending in connection with the above listed Properties:					

For the purpose of procuring and maintaining credit from time to time in any form whatsoever with you, the undersigned hereby represents the above to be a true and accurate Statement signed as of the date herein before set forth and agrees (I) that, if said Statement or any part thereof proves false or misleading in any particular, each and all of the obligation and/or liabilities of the undersigned of every kind to you, whether joint or several, primary or secondary, direct or contingent, shall, at your option, become immediately due and payable all without demand or notice of any kind and (II) that you will be notified promptly in writing of any materially unfavorable changes in the financial conditions herein set forth. Whenever the undersigned may apply to you for credit, and until a substitute Statement may have been submitted to you, this Statement shall have the same force and effect as if delivered at the time such further credit is requested.

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

Date: _____

TAB E
BASEMENT APARTMENT CONVERSION PILOT PROGRAM
CREDIT AUTHORIZATION FORM

I authorize Restored Homes HDFC to obtain a credit report on:

ORGANIZATION NAME: _____

Complete Section A for the Applicant and sign where indicated below:

Section A

Applicant's Employer Identification Number: _____

Date of Incorporation: _____

Date of Partnership or Joint Venture Formation_____

Complete Section B for Each Principal of the Applicant and sign where indicated below:

Section B

PRINCIPAL'S NAME*: _____

ADDRESS: _____

Social Security Number: _____

Date of Birth: _____

*Please indicate if you are a Jr., Sr. or III.

If you have been married less than two years, or if you have been known by another name, please indicate former name:

If at the above address less than two years, indicate prior address:

Signature:_____

Int. No. 1004-A

By Council Members Lander, Cabrera, Espinal, Barron, Yeger, Rivera, Deutsch, Williams, Cumbo, Ayala, Eugene and Kallos (by request of the Mayor)

A Local Law to establish a demonstration program to facilitate the creation and alteration of habitable apartments in basements and cellars of certain one- and two-family dwellings

Be it enacted by the Council as follows:

1 Section 1. Definitions. a. Except as indicated in subdivision b of this section, the terms
2 used in this local law have the meanings ascribed to such terms in title 28 of the administrative
3 code of the city of New York.

4 b. For purposes of this local law, the following terms have the following meanings:

5 PROGRAM AREA. The term “program area” means Brooklyn community district 5,
6 excluding:

7 (1) the area of any special enhanced commercial district as described in section 132-11 of
8 the zoning resolution of the city of New York; and

9 (2) the area of such community district that is generally south of a line drawn across such
10 district that reflects the area of such community district at risk of future flooding,

11 (i) beginning at the intersection of Van Sinderen Avenue and Linden Boulevard;

12 (ii) then east along Linden Boulevard to the point of intersection with Williams Avenue;

13 (iii) then east along Hegeman Avenue to the point of intersection with Malta Street;

14 (iv) then south along Malta Street to the point of intersection with Linden Boulevard;

15 (v) then east along Linden Boulevard to the point of intersection with Georgia Avenue;

16 (vi) then north along Georgia Avenue to the point of intersection with Hegeman Avenue;

17 (vii) then east along Hegeman Avenue to the point of intersection with Barbey Street;

18 (viii) then north along Barbey Street to the point of intersection with McClancy Place;

1 (ix) then west along McClancy Place to the point of intersection with Schenck Avenue;
2 (x) then north along Schenck Avenue to the point of intersection with New Lots Avenue;
3 (xi) then east along New Lots Avenue to the point of intersection with Barbey Street;
4 (xii) then north along Barbey Street to the point of intersection with Dumont Avenue;
5 (xiii) then east along Dumont Avenue to the point of intersection with Warwick Street;
6 (xiv) then south along Warwick Street to the point of intersection with New Lots Avenue;
7 (xv) then east along New Lots Avenue to the point of intersection with Montauk
8 Avenue;
9 (xvi) then north along Montauk Avenue to the point of intersection with Sutter Avenue;
10 (xvii) then west along Sutter Avenue to the point of intersection with Atkins Avenue;
11 (xviii) then north along Atkins Avenue to the point of intersection with Belmont Avenue;
12 (xix) then east along Belmont Avenue to the point of intersection with Fountain Avenue;
13 (xx) then south along Fountain Avenue to the point of intersection with Sutter Avenue;
14 (xxi) then east along Sutter Avenue to the point of intersection with Hemlock Street;
15 (xxii) then south along Hemlock Street to the point of intersection with Blake Avenue;
16 (xxiii) then east along Blake Avenue to the point of intersection with Lincoln Avenue;
17 (xxiv) then north along Lincoln Avenue to the point of intersection with Sutter Avenue;
18 and
19 (xxv) then east along Sutter Avenue and ending at the intersection of Sutter Avenue with
20 Conduit Boulevard.

21 1968 BUILDING CODE. The term “1968 building code” has the same definition as such
22 term is defined in section 28-101.5 of the administrative code.

1 ADMINISTRATIVE CODE. The term “administrative code” means the administrative
2 code of the city of New York.

3 APARTMENT. The term “apartment” means a dwelling unit providing permanent
4 provisions for both sanitation and kitchen facilities, occupied or arranged to be occupied, by not
5 more than 1 family maintaining a common household.

6 BASEMENT. The term “basement” means a story partly below the grade plane and
7 having less than one-half its clear height (measured from finished floor to finished ceiling) below
8 the grade plane.

9 CELLAR. The term “cellar” means that portion of a building that is partly or wholly
10 underground, and having one-half or more of its clear height (measured from finished floor to
11 finished ceiling) below the grade plane. Notwithstanding any local law to the contrary, as used
12 herein, a cellar shall be counted as a story in measuring the height of a building.

13 CITY FINANCIAL ASSISTANCE. The term “city financial assistance” means any loan,
14 grant, tax credit, tax exemption, tax abatement, subsidy, mortgage, debt forgiveness, land
15 conveyance for less than appraised value, land value or other thing of value allocated, conveyed
16 or expended by the city.

17 PRE-EXISTING VIOLATION. The term “pre-existing violation” means a violation
18 issued by the department of buildings for which a notice of violation, administrative summons,
19 criminal court summons or other process was issued prior to the date of issuance of the initial
20 permit for work pursuant to this local law.

21 QUALIFIED ENVIRONMENTAL PROFESSIONAL. The term "qualified
22 environmental professional" has the same meaning as in section 24-03 of title 15 of the rules of
23 the city of New York.

1 § 2. Scope and applicability. a. There shall be a time-limited demonstration program to
2 facilitate the creation and alteration of habitable apartments in basements and cellars in certain
3 dwellings within the program area in accordance with this local law.

4 b. Except as otherwise indicated herein, this local law applies to existing buildings within
5 the program area that are:

6 (1) existing one-family dwellings to be converted to two-family dwellings where any new
7 apartment is entirely on a floor partially below the grade plane; or

8 (2) existing two-family dwellings with an apartment entirely on a floor partially below
9 the grade plane to be altered to create at least 1 additional sleeping room in such apartment.

10 § 3. Financial and technical assistance and outreach. a. The department of housing
11 preservation and development shall assist homeowners who participate in the demonstration
12 program by providing city financial assistance to homeowners who meet the criteria for
13 participation in such program to be established by such department

14 b. The department of housing preservation and development shall also provide technical
15 assistance to homeowners who participate in the demonstration program. Such assistance may be
16 provided by the department or a not-for-profit corporation identified by the department as
17 capable of providing such assistance.

18 c. The department of housing preservation and development shall also conduct public
19 education and outreach regarding the demonstration program to eligible homeowners in the
20 program area. Such public education and outreach may be provided directly by the department or
21 by a qualified not-for-profit corporation selected by the department.

22 § 4. Apartments in basements. Notwithstanding any inconsistent provisions of section 27-
23 751 of the 1968 building code, paragraphs 1 and 3 of subdivision c of section 27-2087 of the

1 administrative code, section 1208.2 of the New York city building code or of applicable laws in
2 existence prior to December 6, 1968 (i) a habitable apartment with a clear ceiling height in all
3 habitable rooms of 7 feet and 6 inches, which may be lowered to 7 feet at the request of the
4 department of housing preservation and development subject to approval by the fire department
5 for cellars or basements identified by the department as otherwise eligible for the demonstration
6 program, with projections as allowed by exception 1 of section 1208.2 of the New York city
7 building code but in no event with such projections lower than 7 feet, or (ii) a habitable
8 apartment in a fully detached two-family dwelling with all exterior walls at least 3 feet from any
9 lot line and with a minimum clear ceiling height in all habitable rooms of 7 feet including
10 projections, may be created or altered subject to the conditions set forth in this local law,
11 including compliance with the construction standards in the specific provisions of law cited in
12 this section even if not otherwise required by such law or any other law:

13 1. General. Such apartment must comply with provisions of law applicable to an
14 apartment in such dwelling not located in the cellar or basement except that where there is a
15 conflict with a provision of this section the provision of this section shall apply.

16 2. Sprinklers. Such apartment must have an automatic sprinkler system that meets the
17 construction requirements of section 903 of the New York city building code and section thirteen
18 of this local law.

19 3. Emergency escape and rescue openings. All sleeping rooms in such apartment must
20 have emergency escape and rescue openings meeting the construction requirements of section
21 1029 of the New York city building code and section 1025 of the New York city fire code.

22 4. Smoke and carbon monoxide alarms. Such apartment must contain smoke and carbon
23 monoxide alarms meeting the requirements of chapter 9 of the New York city building code.

1 5. Fire separation. Such apartment must have all of the following fire separations:

2 (a) Boilers and furnaces. All boilers and furnaces in such apartment must be enclosed and
3 separated from the rest of the building by noncombustible construction having at least a one-hour
4 fire-resistance rating meeting the requirements of section 703 of the New York city building
5 code.

6 (b) Egress stairs. All stairways providing required means of egress in such apartment
7 must be separated from the rest of the apartment and the existing above grade apartment by
8 noncombustible construction having at least a one-hour fire-resistance rating meeting the
9 requirements of section 1022 of the New York city building code.

10 (c) Existing above grade apartment. Such apartment must be separated from the existing
11 above grade apartment by noncombustible construction having at least a one-hour fire-resistance
12 rating meeting the requirements of section 420 of the New York city building code.

13 6. Means of egress. Such apartment must be provided with a means of egress directly to
14 the outdoors complying with the construction standards of chapter 10 of the New York city
15 building code, including access to a public way. The exterior door shall be provided with
16 landings on both the interior and exterior sides in accordance with Section 1008.1.6 of the New
17 York city building code.

18 7. Windows.

19 (a) Each habitable room in such apartment must have at least 1 window with 6 square feet
20 of openable area to provide natural ventilation as required pursuant to section 1203.4.1.2.1 of the
21 New York city building code and additional windows, including glazed area in doors providing
22 light directly into such room, cumulatively with the minimum net glazed area to provide natural
23 light as required pursuant to section 1205.2.1 of the New York city building code.

1 (b) Portions of windows below grade plane may be included in calculations of such
2 minimum net glazed area required to provide natural light if:

3 (1) The window head is located between 0 and 6 inches below the lowest permitted
4 projection below ceiling height;

5 (2) Such portions are surrounded by a window well or similar open area that:

6 (A) is at least 6 inches deeper than the bottom of the window;

7 (B) is at least 3 times as wide, in the direction perpendicular to the window, as the depth
8 below grade plane of such window portions;

9 (C) is at least twice as wide, in the direction parallel to the window, including 6 inches
10 wider on each side, as the depth below grade plane of such window portions; and

11 (D) is provided with a drain to prevent any ponding of storm water, in accordance with
12 chapter 11 of the New York city plumbing code.

13 (3) No cantilever, permanent shading structure, or other obstruction is less than 3 feet
14 above the window head or protrudes more than 1 foot in the direction perpendicular to the
15 window; and

16 (4) No other encroachment or obstruction is within the window well, except as otherwise
17 required pursuant to the New York city building code. Supplemental steps that provide access to
18 the required yard, court, open space or street may also be permitted. Where provided, such steps
19 shall be dimensioned in accordance with section 1009.4 of the New York city building code and
20 shall include a landing at the bottom of such window well in accordance with section 1009.5 of
21 the New York city building code.

22 § 5. Apartments in cellars. Notwithstanding any inconsistent provisions of section 502.1
23 of the New York city building code, sections 27-232 and 27-2004 of the administrative code,

1 subdivision a of section 27-2087 of the administrative code or of applicable laws in existence
2 prior to December 6, 1968, a habitable apartment may be created in a cellar if such apartment
3 complies with section four of this local law and has a second, remote means of egress directly to
4 the outdoors complying with the construction standards of chapter 10 of the New York city
5 building code, including access to the public way, even if compliance with such standards is not
6 otherwise required by such chapter or any other law. Such means of egress shall be provided
7 with landings on both the interior and exterior sides of the door in accordance with section
8 1008.1.6 of the New York city building code. Such cellar must have at least 2 feet of height
9 above grade plane. Such cellar shall be counted as a story for the purposes of the New York city
10 housing maintenance code, the 1968 building code, and the New York city construction codes or
11 applicable laws in existence prior to December 6, 1968 and the space in such apartment shall be
12 counted as floor area in accordance with section 12-10 of the zoning resolution of the city of
13 New York. Occupancy in such a cellar shall be considered occupancy in a basement for the
14 purposes of subdivision c of section 27-2087 of the administrative code.

15 § 6. Deferral or waiver of penalties by the department of buildings. a. Notwithstanding
16 the provisions of sections 28-213.1.1, 28-213.1.2, 28-213.3, and 28-219.1 of the administrative
17 code, civil penalties for the department of buildings violations that would otherwise be required
18 to be paid by a homeowner participating in the demonstration program before the issuance of a
19 permit may be deferred or waived pursuant to a determination by the department that such
20 penalties would preclude such homeowner's participation in the demonstration program in
21 connection with the following:

22 1. the issuance of a permit to create or alter an apartment in a basement or cellar pursuant
23 to this local law; or

1 2. the issuance of a permit after the effective date of this local law to a building in the
2 program area to create either a new apartment entirely on a floor partially below the grade plane
3 or at least 1 additional sleeping room in an existing apartment entirely on a floor partially below
4 the grade plane.

5 b. Notwithstanding the provisions of subdivision a of this section, deferred amounts shall
6 continue to be due and owing to the department of buildings and payment thereafter may be
7 enforced in accordance with the New York city construction codes.

8 § 7. Certificates of occupancy pursuant to this local law. a. At the option of the owner and
9 notwithstanding any inconsistent provision of article 118 of chapter 1 of the administrative code
10 or of any other law, where an apartment in a basement is created or altered pursuant to section
11 four of this local law or an apartment in a cellar is created pursuant to sections four and five of
12 this local law (i) a partial certificate of occupancy may be issued limited to the new or altered
13 apartment in the basement of a building or the new apartment in the cellar of a building if such
14 building was erected prior to January 1, 1938 and does not have and is not otherwise required to
15 have a certificate of occupancy, or (ii) for a building with an existing certificate of occupancy, an
16 amended certificate of occupancy may be issued limited to the new or altered apartment in the
17 basement of such building or the new apartment in the cellar of such building, subject to the
18 following conditions:

19 1. Upon inspection, the apartment being created or altered conforms substantially to the
20 approved construction documents, complies with the New York city construction codes and
21 other applicable laws, except as specifically provided in this local law, and is safe for occupancy;

22 2. Upon inspection, the required means of egress from all floors of the building comply
23 with the New York city construction codes and other applicable laws;

1 3. An amended or partial certificate of occupancy or a temporary certificate of occupancy
2 may be issued where there are open pre-existing violations in the building. All such open
3 violations, including those specified in the exceptions, shall remain administratively open and the
4 department of buildings may thereafter continue to enforce against such violations until, in
5 accordance with applicable provisions of the New York city construction codes, outstanding
6 penalties are paid and, if applicable, certificates of correction are approved by the department of
7 buildings.

8 Exceptions:

9 1. Where a pre-existing violation in parts of the building outside of the new or altered
10 apartment is classified as “immediately hazardous,” the condition that gave rise to the issuance
11 of such immediately hazardous violation must be removed or remedied in accordance with the
12 New York city construction codes and to the satisfaction of the commissioner of buildings and
13 evidence of such removal or remediation in the form of plans, drawings, photos, affidavits or a
14 combination thereof, with the signature and seal of a registered design professional or, if
15 applicable, a licensee of the department of buildings in the applicable trade must be submitted to
16 the department prior to the issuance of such amended or partial certificate of occupancy or a
17 temporary certificate of occupancy.

18 2. Any condition that gave rise to a pre-existing violation in the new or altered apartment
19 must be removed or remedied by work performed under permits issued pursuant to this local law.

20 4. Notwithstanding any inconsistent provision of the New York city construction codes,
21 including sections 28-118.14 and 28-219.1, a certificate of occupancy or a temporary certificate
22 of occupancy may be issued for a basement or cellar apartment created or altered pursuant to this
23 local law where there are outstanding fines and civil penalties for pre-existing violations

1 provided that such fines and civil penalties shall remain due and owing, and the department may
2 thereafter enforce and collect such amounts in accordance with the New York city construction
3 codes.

4 b. The department of buildings may refuse to issue a certificate of occupancy or a
5 temporary certificate of occupancy pursuant to this section if there are outstanding department of
6 buildings violations, penalties or open permits not signed off related to work performed under
7 permits issued pursuant to this local law until such penalties have been paid, such violations have
8 been corrected, including filing certificates of correction, if applicable, and permits have been
9 closed, as required by the New York city construction codes.

10 c. 1. Every certificate of occupancy or temporary certificate of occupancy issued for a
11 basement or cellar apartment created or altered pursuant to this local law must contain a
12 reference to this local law.

13 2. A partial or amended certificate of occupancy or a temporary certificate of occupancy
14 issued pursuant to subdivision a of this section must contain a note that such certificate of
15 occupancy does not certify compliance with applicable laws with respect to parts of the building
16 outside of the apartment created or altered pursuant to this local law.

17 § 8. Waiver of application, permit and inspection fees by department of buildings. The
18 commissioner of buildings shall waive all fees, which would otherwise be required to be paid to
19 the department of buildings by title 28 of the administrative code, the electrical code or the rules
20 of the department of buildings, in connection with applications, permits and inspections for work
21 in the program area related to the creation or alteration of habitable apartments in basements and
22 cellars where such apartments are officially subsidized under a program administered by the
23 department of housing preservation and development.

1 § 9. Waiver of fees by other agencies. The department of environmental protection shall
2 waive all fees which would otherwise be required to be paid arising out of the creation or
3 alteration of habitable apartments in basements and cellars where such apartments are officially
4 subsidized under a program administered by the department of housing preservation and
5 development. Any other agency may promulgate rules to waive fees that would otherwise be
6 required to be paid arising out of the creation or alteration of such apartments where such
7 apartments are officially subsidized under a program administered by the department of housing
8 preservation and development, and where such agency determines that such waiver would
9 facilitate such program.

10 § 10. Time limit for filing of construction documents. Completed construction documents
11 pursuant to this local law shall be filed with the department of buildings within 18 months from
12 the effective date of this local law subject to the provisions of articles 104 and 105 of chapter 1
13 of title 28 of the administrative code of the city of New York pertaining to time limitation of
14 applications and expiration or permits.

15 § 11. Radon levels. No certificate of occupancy or temporary certificate of occupancy
16 may be issued for an apartment in a basement or cellar created or altered pursuant to sections
17 four or five of this local law unless a certification is submitted to the department of buildings that
18 the level of radon in such apartment after the completion of construction is tested in accordance
19 with, and meets the standards set forth in, rules promulgated by the department of health and
20 mental hygiene, which shall require the level of radon in such an apartment be below 2
21 picocuries per liter of air.

22 § 12. Vapor barriers and soil excavation. a. No certificate of occupancy or temporary
23 certificate of occupancy shall be issued for an apartment in a basement or cellar created or

1 altered pursuant to sections four or five of this local law unless, in accordance with rules
2 promulgated by the department of environmental protection, either:

3 (i) a qualified environmental professional submits a certification to the department of
4 buildings that a vapor barrier was applied prior to the installation of flooring; or.

5 (ii) in cases where such creation or alteration is limited exclusively to the addition of a
6 habitable sleeping room in an existing lawful basement apartment, a qualified environmental
7 professional submits a certification to the department of buildings that indoor air and vapor
8 sampling was conducted throughout the apartment in accordance with the rules of the department
9 of environmental protection, the results of which qualify the apartment for an exemption from
10 the requirement of a vapor barrier in accordance with such rules.

11 b. No certificate of occupancy or temporary certificate of occupancy shall be issued for
12 an apartment in a basement or cellar created or altered pursuant to sections four or five of this
13 local law where such creation or alteration includes excavation within or to expand an existing
14 building footprint for the purpose of increasing the ceiling height of such apartment, unless the
15 department of environmental protection furnishes a notice to the department of buildings stating
16 that the department of environmental protection has determined that appropriate measures to
17 protect public health and the environment for the allowable use have been undertaken in
18 accordance with rules promulgated by such department, and that such department does not object
19 to the issuance of such certificate of occupancy or temporary certificate of occupancy.

20 § 13. Compliance with fire code sprinkler requirements for altered buildings on
21 substandard width streets. Any habitable apartment in a basement or cellar created or altered
22 pursuant to sections four and five of this local law shall be deemed to be an alteration subject to
23 the exception set forth in subdivision 5.1 of section 501.4.3.1 of the New York city fire code.

1 § 14. Construction. a. Except as specifically provided in this local law, nothing in this
2 local law is intended to grant authorization for any work to be done in any manner in violation of
3 the provisions of the New York city construction codes, or any other law or rule.

4 b. Nothing in this local law is intended to effect, alter or amend any provision of the
5 zoning resolution of the city of New York.

6 § 15. Rules. The department of buildings, the fire department, the department of
7 environmental protection, the department of housing preservation and development and the
8 department of health and mental hygiene may adopt any rules necessary to carry out the
9 provisions of this local law.

10 § 16. Report. No later than 48 months after the date this local law takes effect, an agency
11 appointed by the mayor shall submit to the mayor and the speaker of the city council a report
12 summarizing the impact of the demonstration program established by section two of this local
13 law.

14 § 17. This local law takes effect 120 days after it becomes law, provided that the
15 provisions of paragraph 2 of subdivision a of section six of this local law and sections eight and
16 nine of this local law shall not apply to any building in the program area for which a complete
17 application for construction document approval is filed more than 18 months after the date this
18 local law takes effect.

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