

New York City | Department of Citywide Administrative Services

# Public Lease Auction and

# Request For Bids

**Thursday, September 2, 2010**

1 Centre Street, 20th Floor North  
New York, NY 10007

Sealed Bids Accepted  
10 a.m. to 11 a.m.

Sealed Bids Opened  
11 a.m.



**SEALED BIDS**  
**Pertaining to Long-Term Leases,**  
**Short-Term Leases and Licenses**  
(White Section)

Long-Term Agreements  
Parcels 1, 2, 3

Short-Term Agreements  
Parcels 4, 5, 6, 7

Table of Contents

Applicable Documents .....	Page 3
Offering Terms and Conditions .....	Pages 4-6
Parcel 1 – Brooklyn .....	Page 7-8
Parcel 2 – Brooklyn .....	Page 9-10
Parcel 3 – Bronx .....	Page 11-12
Parcel 4 – Manhattan .....	Page 13
Parcel 5 – Queens .....	Page 14
Parcel 6 – Queens .....	Page 15
Parcel 7 – Queens .....	Page 16
Answers to Frequently Asked Questions .....	Pages 17-18
Zoning Information.....	Pages 19-20

**For Request For Bids, Turn to Blue Section**

# **TO ALL BIDDERS**

The properties listed in the WHITE section of this brochure are being offered at public auction for Long-Term Lease, Short-Term Lease or License through Public Lease Auction.

The properties listed in the BLUE section of this brochure are being offered for Occupancy Permits through Request For Bids.

## **APPLICABLE DOCUMENTS**

The applicable Lease and License documents are legal forms; it is strongly urged that you consult a lawyer in reviewing these documents, which are not subject to negotiation. It is recommended that bidders obtain and review the applicable documents prior to the Public Lease Auction. Copies can be obtained by calling (212) 669-2111 or by visiting our office at 1 Centre Street, 19<sup>th</sup> Floor North, New York, NY 10007.

## SEALED BIDS

The properties listed in this section of brochure will be offered at Public Lease Auction through a sealed bid procedure. If you are interested in bidding, you must obtain the required documents and instructions before the auction.

**Carefully read the instructions and complete all necessary forms. DO NOT MAIL IN BIDS.**

## OFFERING TERMS AND CONDITIONS

The lease auction will be conducted in accordance with the following sealed bid procedure (the term "lease" shall include a license agreement where applicable):

### **1. BID SUBMISSION**

Sealed Bids will **ONLY** be accepted at 1 Centre Street, 20<sup>th</sup> Floor North Conference Room, Manhattan between the hours of 10:00 a.m. and 11:00 a.m. on the day of the auction. Bids will be opened shortly after 11:00 a.m. All bidders are required to obtain and demonstrate that they have obtained a time-stamped receipt, received when the bid is submitted. Failure to have a properly time-stamped receipt will result in a rejected bid.

### **2. SEALED BID REQUIREMENTS**

All bidders must submit the following as part of the bid packet. Each bid must be in a separate sealed envelope clearly marked with borough, block, lot, parcel number and sealed bid lease auction date. Failure to provide all of the following will result in rejection of a bid.

- a. Security Deposit in the form of a Certified Check, Cashier's Check or Postal Money Order made payable to "Comptroller, City of New York" in the amount of one quarter the Annual Bid Rent for long-term leases or an amount equal to three times the Monthly Bid Rent for short-term leases.
- b. One month's Bid Rent in the case of Short-Term Leases or one-twelfth the Annual Bid Rent in the case of a Long-Term Lease in the form of a Certified Check, Cashier's Check or Postal Money Order made payable to "NYC/DCAS/DRES".
- c. A completed Lease Auction Sealed Bid Application Form.
- d. A completed (notarized) Disclosure Statement from the bidder (individual, partnership or corporate entity), together with Disclosure Statements submitted by each individual with a 20% or greater ownership or voting interest in a bidding partnership or corporation.
- e. Provide copies of two pieces of identification, one of which must be either a valid driver's license, non-driver's photo I.D. issued by the Department of Motor Vehicles or a valid passport and proof of domicile (e.g. utility bill) and, for business entities, proof of principal place of business satisfactory to the City of New York.
- f. If bidder is a corporation: (i) a Resolution of the Board of Directors thereof, authorizing participation in the auction; (ii) Incumbency Certificate disclosing the names of the officers and verifying their signatures; (iii) Certificate of Good Standing issued by the State of New York.
- g. If bidder is a partnership: certified copy of Certificate of Partnership or Certificate of Doing Business under an Assumed Name.

### **3. MINIMUM NET WORTH**

All bidders (i.e. corporations, partnerships, individuals) shall provide evidence in the submitted bid envelope that bidder has a minimum net worth (hereinafter "MNW" or, in the case of a not-for-profit corporation, a minimum fund balance) equal to twelve times the monthly Bid Rent for Short-Term Leases or at least twice the Annual Bid Rent for Long-Term Leases. The MNW shall not include the one-twelfth Annual Bid Rent but may include as an asset the security deposit tendered on the day of the auction. Such evidence must consist of either (a) a financial statement, including a balance sheet and income statement, for a period ending no earlier than one year prior to the date of the auction, accompanied by an affidavit signed by the bidder that the financial statement is complete and accurate or (b) a letter from the bidder's certified public accountant dated no more than thirty (30) days prior to the date of the auction, stating the said bidder's net worth. It is in the sole and absolute discretion of the City as to whether the submitted financial statement or letter adequately demonstrates compliance with the MNW requirement. The City reserves the right to make any inquiries concerning any such financial statement or letter or to require a financial statement and the bidder must promptly and fully respond to any such inquiry.

If the bidder cannot meet the MNW requirement, it may obtain a personal guarantee from a guarantor who can meet the MNW requirements and can provide evidence as set forth above. Such personal guarantor will be required to submit a Disclosure Statement and financial statements.

If a bidder is the successful bidder on more than one property, the MNW or minimum fund balance requirement shall be cumulative. For example, if an MNW requirement would be \$10,000 for one bid, it would be \$20,000 in the event the bidder was successful on two bids.

A sample form of financial statement consisting of a balance sheet and income statement for both a corporate bidder and an individual bidder has been included in the bid packet as one method of disclosure for bidders to utilize in providing evidence of MNW. Any similar form disclosing adequate data may be utilized. Balance sheets and income statements not in substantial conformance with forms included in the Bid Packet will be rejected.

#### **4. PERSONAL GUARANTEE**

After the auction and upon review of the apparent high bidder's submitted documents, at the sole discretion of the Deputy Commissioner, a personal guarantee may be required to be furnished by any bidder, in accordance with Paragraph 3 above.

#### **5. REJECTION OF BIDS AND NEXT-HIGH BIDDER**

In the sole discretion of the Deputy Commissioner, a bid may be rejected for the following reasons and in that event the lease will be awarded to the next highest qualified bidder. Nothing herein shall prevent the City from also holding a bidder in default pursuant to Paragraph 10 hereinafter.

- a. If a required payment is missing or in improper amount or form.
- b. If any required form is missing or incomplete or incorrectly filled out.
- c. If the bidder does not meet the MNW requirements set forth in Paragraph 3.
- d. If the bidder is ineligible to bid and/or lease pursuant to Paragraph 9 hereinafter.
- e. If it is determined that bidder is not creditworthy as indicated by the existence of defaults on obligations to the City or any other creditor, unpaid debts and/or the existence of any other significant credit problem(s) as may be indicated by a credit report or other reliable sources.

#### **6. BIDS ON MULTIPLE PARCELS**

Bidders may bid on more than one parcel provided each bid is submitted in a separate envelope, accompanied by separate checks in the form enumerated above and by a separate set of required documents, as enumerated above.

#### **7. EXECUTION OF LEASE AND WITHDRAWAL OF BIDS**

The lease will be awarded to the highest qualified bidder. Upon the City's completion of review and approval of bidder's bid and submitted documents, the highest qualified bidder and the City will execute the lease upon written notice from the City. A bidder's failure to execute the lease within ten (10) business days from receipt of the aforesaid notice shall constitute a default pursuant to Paragraph 10 hereinafter. **The lease will be in conformance with the offering, including any applicable Special Terms and these Offering Terms and Conditions and will not be subject to negotiation or modifications** (To view the lease or license documents prior to the auction call (212) 669-2111 or visit our office at 1 Centre Street, 19<sup>th</sup> Floor North, New York, NY). A bidder may not withdraw its bid before the expiration of 45 days after the date of the opening of bids; thereafter a bidder may withdraw its bid only in writing and in advance of lease execution. Once a lease is executed between the City and the highest bidder, the checks of all other bidders will be returned. Until bidder is in receipt of a fully executed counterpart of the lease, bidder may not enter upon or occupy the premises or have any rights thereto. In the event that the City cannot give possession in a timely fashion, its sole liability will be the return of any deposits submitted by the high bidder. No bid shall be deemed accepted, and no rights shall accrue against the City, nor shall there be deemed a lease unless and until a fully executed lease is delivered to the highest qualified bidder.

#### **8. POWERS OF THE DEPUTY COMMISSIONER**

##### **a. To Withdraw a Property from Auction**

The Deputy Commissioner of the Department of Citywide Administrative Services reserves the right to withdraw any parcel from the auction and to reject any and all bids, if to do so is deemed in his/her sole discretion, to be in the best interest of the City.

##### **b. To Act in Best Interest of the City**

Nothing contained in these terms and conditions shall be deemed to limit the authority of the Deputy Commissioner, to take such steps as may be deemed to be in the best interest of the City.

#### **9. INELIGIBILITY TO BID AND LEASE**

##### **a. Bidder Has Defaulted on Other Obligations**

No bidder, including, without limitation, any Business Entity (as defined below) or subsidiary, parent or Affiliate (as defined below) thereof, of any trustee(s), director(s), officer(s) or shareholder(s) with voting interests or owning a total of twenty (20%) percent or more of any of the foregoing, who or which is or has been in default in or on any contract, obligation or agreement of any kind or nature whatsoever entered into with the City of New York, or any of its agencies, within a period of five (5) years prior to the date of the auction, will be accepted as an eligible bidder for any parcel. Such obligations include, among other things, the obligation to pay in full all New York City property taxes and charges when due.

##### **b. Bidder Was a Former Owner of the Parcel**

No bidder, including, without limitation, any Business Entity or subsidiary, parent or Affiliate thereof, or any director(s), officer(s) or shareholder(s) with voting interests or owning a total of twenty (20%) percent or more of any of the foregoing, who or which was a former owner of the parcel within a period of five (5) years prior to the date of the applicable lease auction will be accepted as the tenant of the parcel.

##### **c. Penalty for Bidding When Ineligible**

If it is determined in the sole discretion of the Deputy Commissioner that the apparent high bidder is ineligible to bid or lease a parcel, the said bid will be rejected and the lease awarded to the next highest qualified bidder. However, if in connection with this determination, bidder has provided to the City any knowing false documents or statements, this shall constitute a default pursuant to Paragraph 10(a) hereinafter.

##### **d. For the Purposes of This Paragraph 9 in Its Entirety:**

- i. Where the bidder is an individual:
  - A. the interests and defaults of the bidder's spouse may be attributed to the bidder; and
  - B. the interests and defaults of a Business Entity (and of any parent, subsidiary or Affiliate of such Business Entity) in which the bidder has a twenty (20%) percent or greater ownership or voting interest shall be attributed to the bidder;

- ii. Where the bidder is a Business Entity:
  - A. the interests and defaults of any trustee(s), director(s) or officer(s) and any shareholder(s) having a total of twenty (20%) percent or more of its voting stock, ownership interest or control shall be attributed to it (for purposes of these subparagraphs (ii)(A) and (B), the interests and defaults of the family members listed in subparagraph (i)(A), above, shall be attributed to the individuals set forth in these subparagraphs); and
  - B. the interests and defaults of a Business Entity (and of any parent, subsidiary or Affiliate or such Business Entity) in which the bidder or any subsidiary, parent or Affiliate thereof or any trustee(s), director(s), officer(s) or shareholder(s) thereof has a total of twenty (20%) percent or greater ownership, voting interest or control shall be attributed to the bidder.
- e. **For the Purposes of This Paragraph 9, the Following Definitions Apply:**
  - Affiliate** - A Business Entity in which the bidder has, directly or indirectly, a voting, control or ownership interest of twenty (20%) percent or more, or which has such an interest in the bidder.
  - Business Entity** - A legal being, other than an individual, natural person, e.g., a corporation, partnership, joint venture or syndication. A Business Entity must be duly formed in accordance with all applicable provisions of law and have the legal capacity, among other things, to be sued and to own and mortgage property in the State of New York.

#### **10. BIDDER'S DEFAULT**

Any of the following shall constitute a Default by the highest qualified bidder:

- a. the making of any material misrepresentation, omission or false statement in any Disclosure Statement or supplementary information required herein and submitted to the City; or if the bidder fails to verify the representations contained in these documents where required;
- b. discovery by the Department of Citywide Administrative Services prior to the City's execution of the lease that the apparent high bidder plans to use the premises in contravention of the terms of the lease;
- c. bidder's failure to sign the lease in a timely manner;
- d. if any material misrepresentation, omission or false statement is discovered after the lease execution, the City may avail itself of all remedies available to it at law, it being acknowledged that these representations are being relied upon by the City and are material to this transaction. The clause shall survive the lease execution;
- e. unlawfully entering upon or occupying any City-owned property, including the subject auction property, without written authorization from the City.

#### **11. EFFECT OF DEFAULT**

If the highest qualified bidder is found to be in default pursuant to Paragraph 10 such bidder will be disqualified and all monies paid by such bidder will be retained by the City as liquidated damages. Bidder so held in default will not be eligible to bid on property at any City auction for a period of five (5) years from the date of the default.

#### **12. BROKERAGE COMMISSIONS**

No brokerage or other commissions are payable as a result of this auction.

#### **13. SECURITY DEPOSIT**

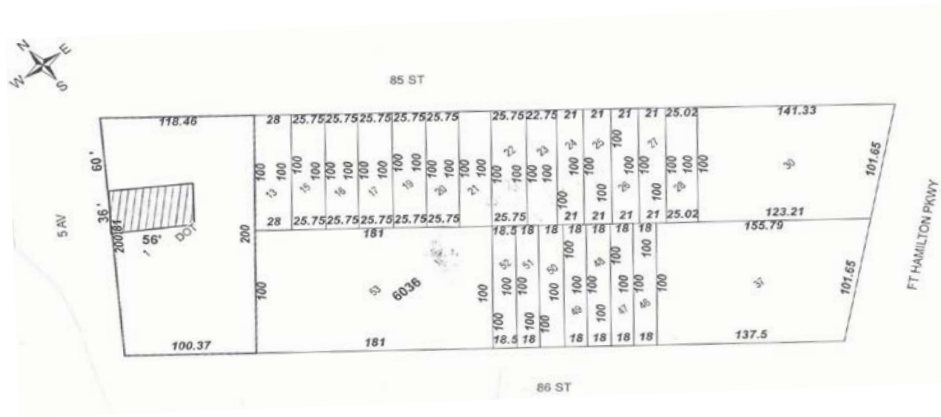
After the execution of the lease or license, the monies received by the City as security will be retained by the New York City Comptroller's Office and held for such purpose.

LONG-TERM LEASE  
PARCEL 1 – BROOKLYN

8509 Fifth Avenue



# LONG-TERM LEASE PARCEL 1 – BROOKLYN



Not to scale  
All dimensions are approximate

PREMISES ADDRESS: 8509 Fifth Avenue

LOCATION: East side of Fifth Avenue, approximately 60 feet south of 85<sup>th</sup> Street

BOROUGH: Brooklyn

BLOCK: 6036

LOT: Part of Lot 1

PROPERTY TYPE: Ground floor retail store and basement space

SQUARE FOOTAGE: Approximately 2,024 square feet on ground floor and 2,024 square feet of basement space

USE: Retail

ZONE: C4-2A

LEASE TERM: Five (5) Years

RENEWAL TERMS: Two (2) five (5) year renewal terms

MINIMUM **ANNUAL** BID: \$91,200

RATE OF ANNUAL INCREASE: The annual rental shall be increased by 3% per annum compounded every year or by the Consumer Price Index whichever is greater for the balance of the lease term including the renewal term, if applicable, with the first escalation occurring at the first anniversary of the lease commencement date.

SPECIAL TERM AND CONDITION: At the request of the highest qualified bidder, the City and said bidder will enter into a Revocable License Agreement (the "License") in form as acceptable to the City, for use of the Premises for the sole and exclusive purpose of conducting activities to prepare the Premises for occupancy pursuant to the contemplated long term lease. Use of the Premises under the License shall be strictly limited to architectural, engineering and construction work of a non-structural nature, and for no other purpose. The License fee shall be Ten Dollars (\$10.00) per month and shall not exceed sixty (60) calendar days preceding the commencement of the long term lease.

INSPECTION DATES: Thursday, August 12, 2010, 9:30 a.m. to 10:30 a.m.  
Friday, August 20, 2010, 10:30 a.m. to 11:30 a.m.

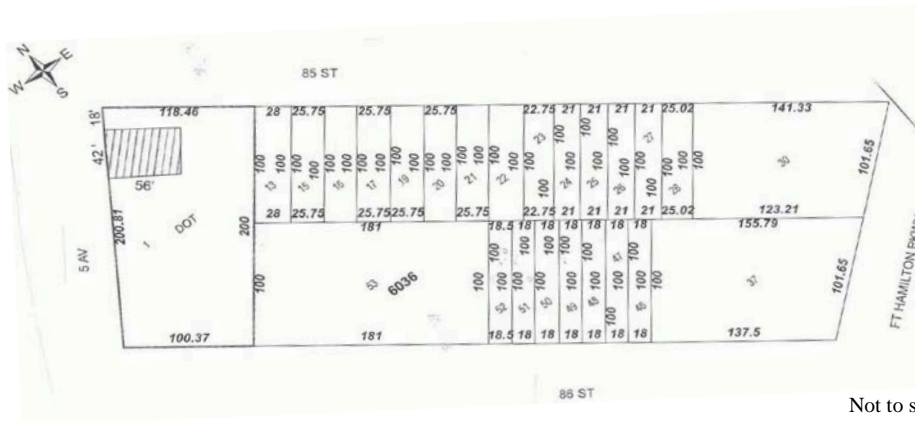


LONG-TERM LEASE  
PARCEL 2 – BROOKLYN

8501 Fifth Avenue



# LONG-TERM LEASE PARCEL 2 – BROOKLYN



Not to scale  
All dimensions are approximate

PREMISES ADDRESS: 8501 Fifth Avenue

LOCATION: East side of Fifth Avenue, approximately 18 feet south of 85<sup>th</sup> Street

BOROUGH: Brooklyn

BLOCK: 6036

LOT: Part of Lot 1

PROPERTY TYPE: Ground floor retail store and basement space

SQUARE FOOTAGE: Approximately 2,352 square feet on ground floor and 2,352 square feet of basement space

USE: Retail

ZONE: C4-2A

LEASE TERM: Five (5) Years

RENEWAL TERMS: Two (2) five (5) year renewal terms

MINIMUM ANNUAL BID: \$106,800

RATE OF ANNUAL INCREASE: The annual rental shall be increased by 3% per annum compounded every year or by the Consumer Price Index whichever is greater for the balance of the lease term including the renewal term, if applicable, with the first escalation occurring at the first anniversary of the lease commencement date.

SPECIAL TERM AND CONDITION: At the request of the highest qualified bidder, the City and said bidder will enter into a Revocable License Agreement (the "License") in form as acceptable to the City, for use of the Premises for the sole and exclusive purpose of conducting activities to prepare the Premises for occupancy pursuant to the contemplated long term lease. Use of the Premises under the License shall be strictly limited to architectural, engineering and construction work of a non-structural nature, and for no other purpose. The License fee shall be Ten Dollars (\$10.00) per month and shall not exceed sixty (60) calendar days preceding the commencement of the long term lease.

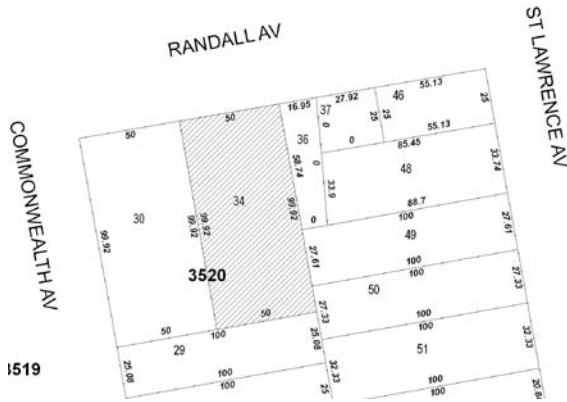
INSPECTION DATES: Thursday, August 12, 2010, 10:30 a.m. to 11:30 a.m.  
Friday, August 20, 2010, 11:30 a.m. to 12:30 p.m.

# LONG-TERM LEASE PARCEL 3 – BRONX

1764-68 Randall Avenue



# LONG-TERM LEASE PARCEL 3 – BRONX



Not to scale  
All dimensions are approximate

PREMISES ADDRESS: 1764-68 Randall Avenue

LOCATION: South side of Randall Avenue, 50 feet east of Commonwealth Avenue

BOROUGH: Bronx

BLOCK: 3520

LOT: 34

PROPERTY TYPE: Single story building with basement

SQUARE FOOTAGE: Approximately 2,750 square feet on ground floor and 2,750 square feet of basement space

USE: Community Facility or Retail

ZONE: R5/C1-2

LEASE TERM: Five (5) Years

RENEWAL TERMS: Two (2) five (5) year renewal terms

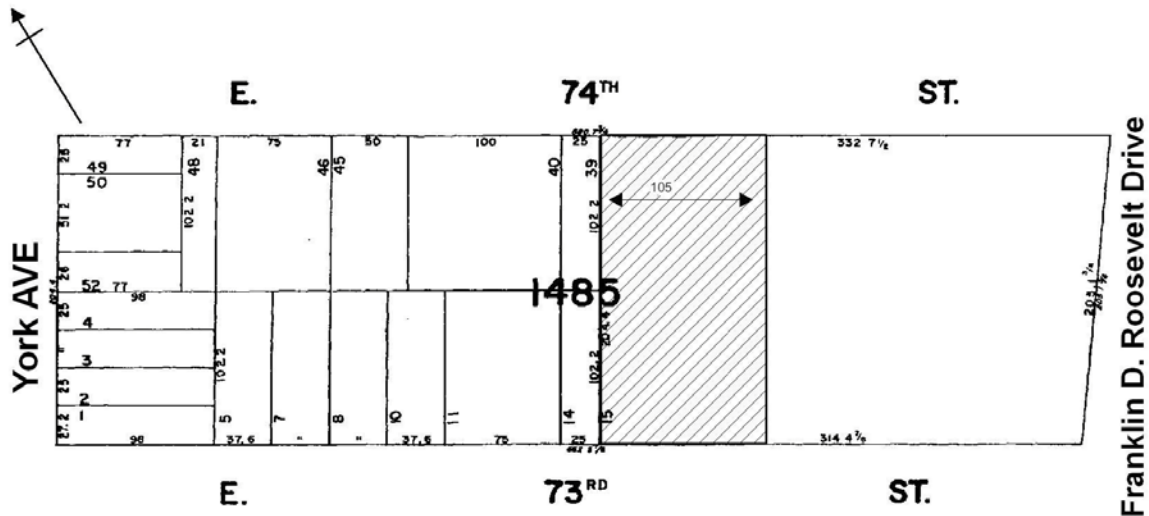
MINIMUM ANNUAL BID: \$83,000

RATE OF ANNUAL INCREASE: The annual rental shall be increased by 3% per annum compounded every year or by the Consumer Price Index whichever is greater for the balance of the lease term including the renewal term, if applicable, with the first escalation occurring at the first anniversary of the lease commencement date.

SPECIAL TERM AND CONDITION: At the request of the highest qualified bidder, the City and said bidder will enter into a Revocable License Agreement (the "License") in form as acceptable to the City, for use of the Premises for the sole and exclusive purpose of conducting activities to prepare the Premises for occupancy pursuant to the contemplated long term lease. Use of the Premises under the License shall be strictly limited to architectural, engineering and construction work of a non-structural nature, and for no other purpose. The License fee shall be Ten Dollars (\$10.00) per month and shall not exceed sixty (60) calendar days preceding the commencement of the long term lease.

INSPECTION DATES: Tuesday, August 10, 2010, 1:30 p.m. to 2:30 p.m.  
Tuesday, August 17, 2010, 10:00 a.m. to 11:00 a.m.

# SHORT-TERM LEASE PARCEL 4 – MANHATTAN



Not to scale  
All dimensions are approximate

LOCATION: North side of East 73<sup>rd</sup> Street, approximately 384 feet east of York Avenue

BOROUGH: Manhattan

BLOCK: 1485

LOT: Part of Lot 15

PROPERTY TYPE: Unimproved Land

SQUARE FOOTAGE: Approximately 21,462 square feet

USE: Use of this property will be limited to community facility uses permitted in Use Group 4 and commercial uses permitted in Use Groups 6, 7, 8, 9, 11 and 16 as defined in the NYC Zoning Resolution on the date of the auction.

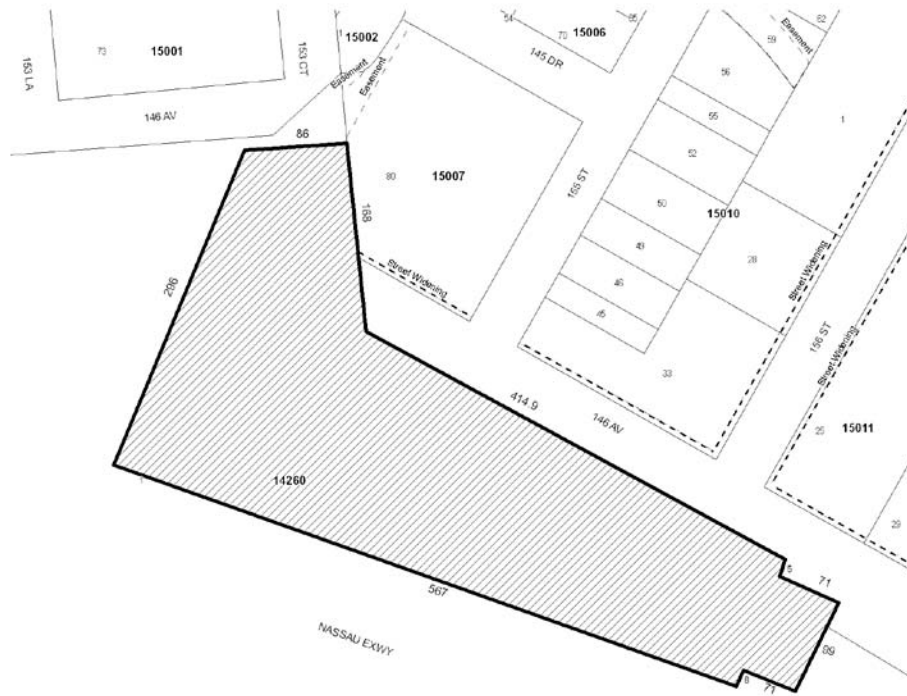
ZONE: M3-2

LEASE TERM: Month-to-Month

MINIMUM **MONTHLY** BID: \$8,850

INSPECTION DATES: Thursday, August 12, 2010, 1:30 p.m. to 2:30 p.m.  
Friday, August 20, 2010, 1:30 p.m. to 2:30 p.m.

# SHORT-TERM LEASE PARCEL 5 – QUEENS



Not to scale  
All dimensions are approximate

LOCATION: South of the south side of 146<sup>th</sup> Avenue between 153<sup>rd</sup> Court and 157<sup>th</sup> Street, starting at a point approximately 84 feet west and 50 feet south of the northwest corner of 157<sup>th</sup> Street and 146<sup>th</sup> Avenue

BOROUGH: Queens

BLOCK: 14260

LOT: Part of Lot 1

PROPERTY TYPE: Unimproved Land

SQUARE FOOTAGE: 105,200

USE: As-of-Right

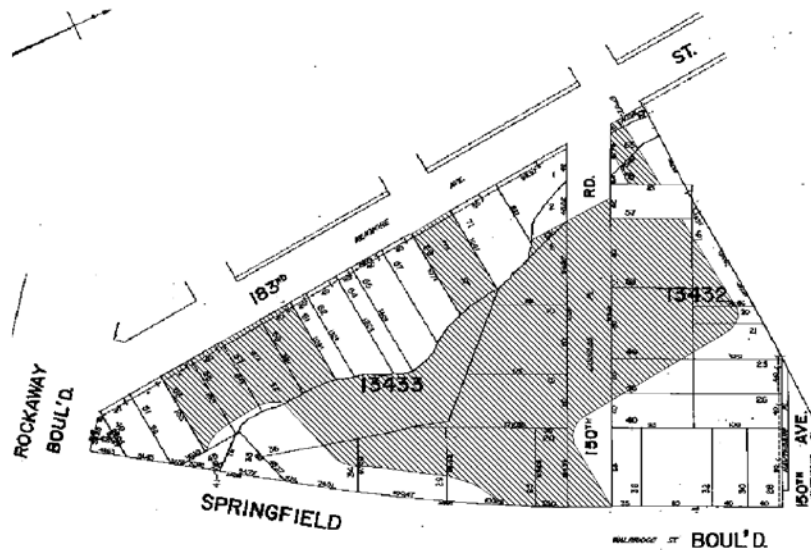
ZONE: M1-1

LEASE TERM: Month-to-Month

MINIMUM **MONTHLY** BID: \$22,500

INSPECTION DATES: Friday, August 13, 2010, 9:30 a.m. to 10:30 a.m.  
Wednesday, August 18, 2010, 1:30 p.m. to 2:30 p.m.

# SHORT-TERM LICENSE PARCEL 6 – QUEENS



Not to scale  
All dimensions are approximate

LOCATION: East side of 183<sup>rd</sup> Street, 80 feet north of Rockaway Boulevard

BOROUGH: Queens

BLOCK: 13432

LOTS: Part of Lot 6, Part of Lot 20, Part of Lot 21, Part of Lot 40, Part of Lot 46,  
Part of Lot 49, Part of Lot 53, Part of Lot 59, Part of Lot 65, Part of Lot 67  
and

BLOCK: 13433

LOTS: Part of Lot 2, 5, 10, 15, 20, Part of Lot 23, Part of Lot 29, Part of Lot 34,  
Part of Lot 36, Part of Lot 53, Part of Lot 55, Part of Lot 57, 59, 69,  
Part of Lot 999 (formerly known as 150<sup>th</sup> Road)

PROPERTY TYPE: Unimproved Land

SQUARE FOOTAGE: Approximately 104,955 square feet

USE: As-of-Right

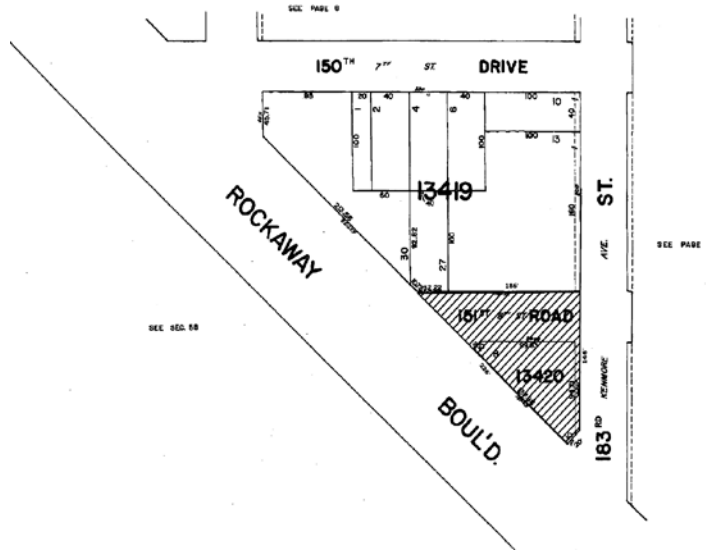
ZONE: M1-1

LICENSE TERM: One (1) Day Less Than (1) Year

MINIMUM **MONTHLY** BID: \$21,750

INSPECTION DATES: Friday, August 13, 2010, 11:30 a.m. to 12:30 p.m.  
Wednesday, August 18, 2010, 11:30 a.m. to 12:30 p.m.

# SHORT-TERM LICENSE PARCEL 7 – QUEENS



Not to scale  
All dimensions are approximate

LOCATION: West side of 183<sup>rd</sup> Street, 200 feet south of the southwest corner of 150<sup>th</sup> Drive and 183<sup>rd</sup> Street

BOROUGH: Queens

BLOCK: 13420

LOTS: 8 and 999

PROPERTY TYPE: Unimproved Land

SQUARE FOOTAGE: Approximately 15,838 square feet

USE: As-of-Right

ZONE: M1-1

LICENSE TERM: One (1) Day Less Than (1) Year

MINIMUM **MONTHLY** BID: \$3,850

INSPECTION DATES: Friday, August 13, 2010, 1:00 p.m. to 2:00 p.m.  
Wednesday, August 18, 2010, 10:00 a.m. to 11:00 a.m.



## ANSWERS TO FREQUENTLY ASKED QUESTIONS

**1. HOW WILL THE AUCTION BE CONDUCTED?**

Bids will be accepted from 10:00 a.m. to 11:00 a.m. at 1 Centre Street, 20<sup>th</sup> Floor North Conference Room, Manhattan. The auction will commence promptly at 11:00 a.m. Bidding will be a **SEALED BID** process. All sealed bid envelopes will be time stamped, all bids will be opened and announced.

**2. MAY I BID ON MORE THAN ONE PARCEL?**

Yes. Provided each bid is accompanied by the required forms and checks, you may bid on as many parcels as you wish. Each bid must be submitted in a separate sealed envelope clearly marked with borough, block, lot, parcel number and sealed bid lease auction date.

**3. DO I NEED TO BE PRESENT AT THE AUCTION?**

No.

**4. DO THE SAME LEASE TERMS APPLY TO ALL PROPERTIES?**

No. Bidders may view or obtain a copy of the Long-Term Lease, Short-Term Lease, License or Occupancy Permit documents by calling (212) 669-2111 or by visiting our office at 1 Centre Street, 19<sup>th</sup> Floor North, New York, NY. **THE LEASE AND/OR LICENSE AGREEMENT IS A LEGAL DOCUMENT; IT IS STRONGLY URGED THAT YOU CONSULT A LAWYER IN REVIEWING THIS DOCUMENT, WHICH IS NOT SUBJECT TO NEGOTIATION.**

**5. IS THE LEASE, LICENSE OR OCCUPANCY PERMIT DOCUMENT SUBJECT TO NEGOTIATION?**

No. Pursuant to Paragraph 7 of the Offering Terms and Conditions, the lease will not be subject to negotiation or modifications.

**6. WHAT IS A LONG-TERM LEASE?**

A Long-Term Lease is any lease with a term of one or more years.

**7. WHAT IS A SHORT-TERM LEASE?**

A Short-Term Lease is for one (1) day less than a year or on a month-to-month basis.

**8. WHAT TYPE OF FINANCIAL STATEMENT MUST I SUBMIT?**

You or your guarantor must submit a current financial statement consisting of a balance sheet and income statement. The financial statement must demonstrate that you or your guarantor have a minimum net worth as more fully discussed in Paragraph 3 of the Offering Terms and Conditions. "Net worth" is defined as the excess of tangible assets over liabilities. A sample form of financial statement is included in the Bid Packet. In lieu of a financial statement, you or your guarantor may submit a letter from a certified public accountant showing that you meet the minimum net worth requirement.

**9. WHEN CAN I EXPECT TO TAKE POSSESSION OF THE PROPERTY?**

Only upon notification by DRES, and receipt of a fully executed lease and/or license.

**10. WHAT DOES THE PHRASE "THE CITY RESERVES THE RIGHT TO TAKE BACK PARKING SPACES" MEAN FOR PARKING GARAGES AND LOTS?**

This means that the City in its sole and absolute discretion reserves the right to take back parking spaces for its own use. In such event, the monthly rent will be reduced on a pro rata basis, based on the diminution of parking spaces from the maximum capacity of parking spaces at the premises as determined by the Department of Consumer Affairs, as set forth in the permit issued by the Department of Consumer Affairs. For example, if a parking lot has a maximum capacity (as set for in the Department of Consumer Affairs permit) of 100 spaces, and the City takes back 10 spaces, the rent will be reduced by 10%.

**11. IF I AM AN EXISTING TENANT ON A CITY PARCEL AND I ENTER INTO A LEASE PURSUANT TO THIS AUCTION, MAY I APPLY THE PRE-EXISTING SECURITY DEPOSIT TO THE NEW LEASE?**

Yes. A pre-existing security deposit may be applied at the written request of the bidder, but only if the new lease pertains to the same parcel.

**12. IF I ENTER INTO A LEASE OR LICENSE PURSUANT TO THIS AUCTION, WILL MY SECURITY DEPOSIT BEAR INTEREST?**

No. Once the lease or license is executed, the security deposit is held in a **NON-INTEREST BEARING ACCOUNT** at the New York City Comptroller's Office. Provided you are not in default, it is returned after you vacate the premises and your account is terminated.

**13. HOW DO I GAIN ACCESS TO THE PROPERTY ON WHICH I AM INTERESTED IN BIDDING?**

All sites will be available for inspection. Check the inspection time and date as provided with individual property offerings.

**14. WHAT DOES "AS OF RIGHT" USE MEAN?**

"As of Right" means the use must be in compliance with the existing zoning designation, as defined by the New York City Zoning Resolution. For example, certain residential zones prohibit certain parking uses.

**15. WHAT IS PUBLIC PARKING?**

Public Parking, whether in a garage or on a tract of land, is defined in Section 12-10 of the New York City Zoning Resolution.

**16. ARE THERE ANY SPECIAL DOCUMENTS REQUIRED FOR PUBLIC PARKING?**

Yes. A permit from the Department of Consumer Affairs is required to operate a parking garage/lot. Call Consumer Affairs at 311 for information or visit online at [nyc.gov/consumers](http://nyc.gov/consumers).

**17. WHAT IS ACCESSORY PARKING?**

Accessory uses are defined in Section 12-10 of the New York City Zoning Resolution. Where specifically provided in the applicable district regulations within the Zoning Resolution, accessory off-street parking need not be located on the same zoning lot.

**18. WHERE CAN I GET INFORMATION ON WHAT USES ARE PERMITTED UNDER ZONING?**

All prospective bidders are advised to consult a qualified advisor regarding the zoning and other land use regulations applicable to the subject lease auction property. For information about NYC zoning, bidders may contact the Department of City Planning at (212) 720-3291, 9 a.m. to noon, 1 p.m. to 4 p.m. For information regarding EXACT zoning requirements, consult the New York City Zoning Resolution, a copy of which is available for review at the Municipal Reference Library (212) 788-8590, 31 Chambers Street, Room 112, New York, NY 10007, call for hours or visit online at [nyc.gov/records](http://nyc.gov/records).

**19. HOW DO I KNOW WHAT THE INSURANCE REQUIREMENT AMOUNTS WILL BE FOR MY LEASE, LICENSE OR OCCUPANCY PERMIT?**

Unless specifically stated in the parcel description section of this brochure, insurance requirement amounts are established after a determination of the highest qualified bid and are based upon the proposed use of the property.

**20. WHAT IS "GARAGE LIABILITY INSURANCE"?**

Garage liability and garage keepers liability insurance is required of all public parking operators. Garage liability and garage keepers liability insurance are categories of Commercial General Liability insurance called commercial automobile insurance. Garage keepers insurance should be written to include coverage on non-owned automobiles with coverage on additional or replacement autos. Ask your insurance company for a "Garage Coverage Form." As with all insurance required to be carried by our tenants, we require an endorsement to the policy naming the City of New York as an additional insured.

# ZONING INFORMATION

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The following information will assist Bidders in understanding and interpreting the applicable zoning regulations governing use of property in the City of New York. These guidelines apply to the use of vacant lots, the use of existing buildings or to permitted accessory uses.

**These guidelines are not intended as anything other than a general summary of terms used in this Lease Auction Brochure and are provided for convenience of reference only. The Division of Real Estate Services is not charged with the enforcement or interpretation of zoning laws and regulations and makes no representations in this regard.**

## DEFINITIONS

**RESIDENTIAL:** Residential Districts (R1-R10) vary according to bulk, permissible density and other controls, such as parking and open space.

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**USE GROUPS:** Within each zoning district, certain activities are permitted which are categorized as use groups. There are 18 use groups: residential and institutional activities are within use groups 1-4, local retail and services are within use groups 5-9, regional shopping is within use groups 10-12, open space activities are within use groups 13-15, manufacturing is within use groups 16-18. The attached chart shows permitted use groups. For further information on what uses are allowable within specific zones contact the Department of City Planning or the borough office of the Department of Buildings.

# ZONING INFORMATION

## RESIDENTIAL DISTRICTS: Permitted Uses

District	Uses	Permitted Use Groups
R1	Single Family Detached Residence; Community Facility Use	1, 3, 4
R2	Single Family Detached Residence; Community Facility Use	1, 3, 4
R3-1	Single- or Two-Family Residence, Attached or Semi-attached; Community Facilities	1, 2, 3, 4
R3-2 to R10	Residence of all kinds; Community Facilities	1, 2, 3, 4

## COMMERCIAL DISTRICTS: Permitted Uses

District	Uses	Permitted Use Groups
C1	Wide range of retail stores and personal service establishments for local shopping; Residential and Community Facilities.	1-6
C2	Wide range of local service establishments; Residential and Community Facilities.	1-9, 14
C3	Waterfront recreation, related to boating and fishing; Residential and Community Facilities.	1-4, 14
C4	General Commercial uses such as department stores, theatre, etc; Residential and Community Facilities.	1-6, 8-10, 12
C5	Central Commercial uses which serve the entire metropolitan region; Residential and Community Facilities.	1-6, 9-11
C6	Full range of commercial uses requiring a central location; Residential and Community Facilities.	1-12
C7	Large, noisy, traffic generating uses such as open amusement park.	4-10, 12-15
C8	Service establishments such as automobile service stations.	4-14, 16

## MANUFACTURING DISTRICTS: Permitted Uses

District	Uses	Permitted Use Groups
M1	Light industrial uses such as research laboratories, or wholesale service facilities certain Community Facilities.	4-14, 16, 17
M2	General industrial uses with performance characteristics less desirable than those permitted in M1 district.	5-17
M3	Heavy industrial uses such as chemical manufacturing, power plants, foundries, etc.	5-18

**REQUEST FOR BIDS**  
**Pertaining to Occupancy Permits**  
**(Blue Section)**

**Parcels 8 & 9**

**Table of Contents**

Applicable Documents.....Page 3

Sealed Bid Procedures .....Pages 4-6

Offering Terms and Conditions .....Pages 7-8

Request For Bid Offerings

    Parcel 8 - Brooklyn.....Page 9

    Parcel 9 - Brooklyn.....Page 10

Zoning Information.....Pages 11-12

**For Public Lease Auction Properties, Turn to White Section**

## **TO ALL BIDDERS**

The properties listed in the WHITE section of this brochure are being offered at public auction for Long-Term Lease, Short-Term Lease or License through Public Lease Auction.

The properties listed in the BLUE section of this brochure are being offered for Occupancy Permits through Request For Bids.

## **APPLICABLE DOCUMENTS**

The applicable Occupancy Permit document is a legal form; it is strongly urged that you consult a lawyer in reviewing this document, which is not subject to negotiation. It is recommended that bidders obtain and review the applicable document prior to the Request For Bids. Copies can be obtained by calling (212) 669-2111 or by visiting our office at 1 Centre Street, 19<sup>th</sup> Floor North, New York, NY 10007.

## **REQUEST FOR BIDS PROCEDURE**

1. You may bid on as many parcels as you wish provided each bid is in a separate envelope accompanied by separate checks in the form listed below.
2. Sealed Bids will **ONLY** be accepted at 1 Centre Street, 20<sup>th</sup> Floor North Conference Room, Manhattan, between 10:00 a.m. and 11:00 a.m. on the day of the Request For Bids. Bids will be opened shortly after 11:00 a.m. All bidders are required to obtain and demonstrate that they have obtained a time-stamped receipt, received when the bid is submitted. Failure to have one properly time-stamped will result in a rejected bid. Under no circumstances will bids be accepted after 11:00 a.m.
3. An Occupancy Permit will be awarded to the highest responsible bidder for each parcel. In the event of a tie, the highest responsible bidder will be determined in accordance with procedures under concession rules (Title 12 of the Rules of the City of New York, Chapter 1).
4. Bidders have the right to appeal a determination of non-responsiveness and/or non-responsibility and have the right to protest a solicitation and award as specified in Chapter 1 of Title 12 of the Rules of the City of New York.
5. The Occupancy Permit award is subject to applicable provisions of federal, state and local laws and executive orders requiring affirmative action and equal employment opportunity.
6. Questions relating to bid solicitations should be addressed to Valeria Vines, 1 Centre Street, 19<sup>th</sup> North, New York, NY 10007 or by calling 212-669-2111.
7. It is important that you review the Offering Terms and Conditions and Occupancy Permit Terms and Conditions carefully before submitting a bid.
8. **THE BID PACKET:** On the day of the Request For Bids, a sealed envelope marked on the outside with your name, your address, time specified for receipt of bids, the parcel number, and the borough, block and lot of the property for which you are bidding, and containing the following items must be **HAND-DELIVERED** to the bid opening location. **IF ANY OF THESE FORMS ARE MISSING, A BID WILL BE REJECTED:**
  - A. A completed Sealed Bid Form;
  - B. Certified Check, Cashier's Check or **POSTAL (NOT PERSONAL)** Money Order in the amount equal to two month's base monthly Permit Fee (unless otherwise specified by special terms and conditions which are listed with each parcel), to be deposited as security and made payable to the "Comptroller, City of New York";
  - C. Certified Check, Cashier's Check or **POSTAL (NOT PERSONAL)** Money Order in the amount of one month's base monthly Permit Fee (unless otherwise specified by special terms and conditions which are listed with each parcel), to be deposited as the first month's base charge and made payable to "NYC/DCAS/DRES";
  - D. All bidders (i.e. corporations, partnerships, individuals) shall provide evidence in the submitted bid envelope that bidder has a minimum net worth (hereinafter "MNW" or, in the case of a not-for-profit corporation, a minimum fund balance) equal to twelve times the monthly Bid Permit Fee. The MNW shall not include the one-twelfth Annual Bid Permit Fee but may include as an asset the security deposit tendered on the day of the Request For Bids. Such evidence must consist of either (a) a financial statement, including a balance sheet and income statement, for a period ending no earlier than one year prior to the date of the Request For Bids, accompanied by an affidavit signed by the bidder that the financial statement is complete and accurate or (b) a letter from the bidder's certified public accountant dated no more than thirty (30) days prior to the date of the Request For Bids, stating the said bidder's net worth. It is in the sole and absolute discretion of the City as to whether the submitted financial statement or letter adequately demonstrates compliance with the MNW requirement. The City reserves the right to make any inquiries concerning any such financial statement or letter or to require a financial statement and the bidder must promptly and fully respond to any such inquiry;

If the bidder cannot meet the MNW requirement, it may obtain a personal guarantee from a guarantor who can meet the MNW requirements and can provide evidence as set forth above. Such personal guarantor will be required to submit a Disclosure Statement and financial statements. If a bidder is the successful bidder on more than one property, the MNW or minimum fund balance requirement shall be cumulative. For example, if an MNW requirement would be \$10,000 for one bid, it would be \$20,000 in the event the bidder was successful on two bids;

A sample form of financial statement consisting of a balance sheet and income statement for both a corporate bidder and an individual bidder has been included in the Bid Packet as one method of disclosure for bidders to utilize in providing evidence of MNW. Any similar form disclosing adequate data may be utilized. Balance sheets and income statements not in substantial conformance with forms included in the bid packet will be rejected;

- E. Bidders are advised that when the annual value of their bid, when aggregated with the value of all other contracts with the City of New York held by the same concessionaire, exceeds \$100,000 they must submit a completed notarized VENDEX Business Entity and Questionnaires or a notarized Affidavit of No Change to a current VENDEX filing for review of that information by the NYC Department of Investigation. VENDEX instructions and forms are available for pickup, and submission with the bid packet, at 1 Centre Street, 19<sup>th</sup> Floor North;
- F. A completed Credit Information Form;
- G. CORPORATE and PARTNERSHIP BIDDERS must also complete the following documents:

a. **Corporation: A Corporation must provide all of the following items:**

- i. **Resolution of the Board** of the corporation authorizing participation in the Request For Bids.
- ii. **Incumbency Certificate** disclosing the names of the officers and verifying their signatures.
- iii. **Certificate of Good Standing** issued by the State of New York verifying the corporation's status.

A Certificate of Good Standing (short form) verifies a corporation's status as a duly formed corporation in good standing with the State of New York. This document can be obtained from:

New York State Department of State  
The Division of Corporations & State Records  
One Commerce Plaza  
99 Washington Avenue  
Albany, NY 12231  
(518) 473-2492

When requesting this form, a \$50 special handling fee is required. This fee must be in the form of a certified check or money order payable to New York State Department of State. You will receive the Certificate within two (2) weeks of receipt by the Department of State of your request. If you are not able to obtain the Certificate prior to the day of Request For Bids, a copy of your filing receipt may be included with your submission of the other business entity requirements.

b. **Partnership or Sole Proprietorship must provide the following item:**

A certified copy of **Certificate of Partnership** or **Certificate of Doing Business Under an Assumed Name** pursuant to section 130 of the New York State General Business Law.



A Business Certificate for a newly formed Partnership or Sole Proprietorship can be obtained from a local stationery store. The partners or sole proprietor must complete and file the Certificate in the Office of the Clerk in the County in which the partnership or sole proprietorship is registered. If the partnership or sole proprietorship is registered in the City of New York, a copy can be obtained from the following locations:

**MANHATTAN**

County Clerk  
60 Centre Street  
Room 109-B  
New York, NY 10007  
(646) 386-5955

**BRONX**

County Clerk  
851 Grand Concourse  
Room 118  
Bronx, NY 10451  
(718) 618-3348

**STATEN ISLAND**

County Clerk  
130 Stuyvesant Place  
1<sup>st</sup> Floor  
Staten Island, NY 10301  
(718) 675-8960

**BROOKLYN**

County Clerk  
360 Adams Street  
Room 189  
Brooklyn, NY 11201  
(347) 404-9754

**QUEENS**

County Clerk  
88-11 Sutphin Blvd.  
Jamaica, NY 11435  
(718) 298-0608

**PLEASE NOTE: THE BOROUGH OFFICES OF THE CLERK REQUIRE FIVE (5) BUSINESS DAYS TO ISSUE A CERTIFIED CERTIFICATE.**

- c. At the sole discretion of the Deputy Commissioner or his/her designee, a personal guarantee may be required of any bidder (including principal shareholders of any corporate bidder, which shareholder shall be defined as one owning not less than 10% of the outstanding shares of said corporation) guaranteeing the monetary obligations of permittee in conjunction with the execution of the permit.
- d. If the bidder is a corporation or partnership, **each individual with a 20% interest or more** must complete the bid submission documents.
- H. In the submission of bids, bidders should identify those portions of their bids they deem to be confidential proprietary information or trade secrets and provide any justification why such materials, upon request, should not be disclosed by the City. Such information must be easily separable from the non-confidential sections of the bid;
- I. Prior to the date on which bids must be submitted, bidders should contact Valeria Vines (see Paragraph 6, above for contact information) to confirm that no amendments have been issued by the City pertaining to the Request For Bids. If amendments have been issued, such amendments will be available for pick-up or by regular mail upon request, together with an "Acknowledgment of Amendment Receipt" form which must be signed by the bidder and submitted together with the Sealed Bid Form on the submission date.

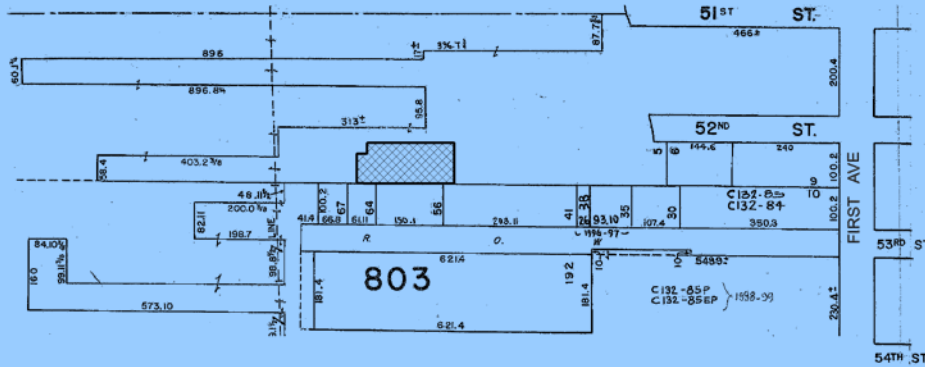
## OFFERING TERMS AND CONDITIONS

1. The Deputy Commissioner of the Division of Real Estate Services (DRES), reserves the right to withdraw any property from the Request For Bids offering and to reject any and all bids, if to do so is deemed to be in the best interest of the City of New York.
2. Nothing contained in the Terms and Conditions of this offering shall be deemed to limit the authority of the Deputy Commissioner, in his/her discretion, to take such steps as may be deemed to be in the best interest of the City of New York, including, but not limited to, requesting additional documentation and/or information.
3. No bid shall be deemed accepted, and no rights shall accrue against the City of New York, nor shall there be deemed a permit unless and until a fully executed Occupancy Permit is delivered to the permittee.
4. The successful bidder shall execute the Occupancy Permit upon acceptance by the City. The term of the Occupancy Permit and the monthly charges shall not commence until possession is available. In the event that the City of New York cannot give possession in a timely fashion, its sole liability will be the return of any deposits submitted by the successful bidder.
5. No bidder (including principals, corporations or subsidiaries of such) who is in arrears or in default upon any debt, contract or obligation to the City of New York, will be accepted as a permittee. All bidders (prospective concessionaires) shall be required to complete the bid submission documents seeking background information about the bidder and its principals, owners, officers, affiliates and subcontractors, so as to assist the concession manager in making the determination of responsibility and to permit compliance with local laws concerning creation and maintenance of a computerized database concerning concessionaire background. If the bidder is a corporation or partnership, each individual with a 10% interest or more must complete the bid submission documents. In addition, when the annual value of a prospective concessionaire's bid, when aggregated with the value of all other contracts with the City of New York held by the same concessionaire, exceed \$100,000, questionnaires, known as "VENDEX Business Entity and Principal Questionnaires", shall be completed in all cases unless a bidder submits an Affidavit of No Change to a current VENDEX filing, in the form indicated by the VENDEX instructions. If the successful bidder is found to be in default, such bidder will be disqualified and all monies paid by such bidder will be retained by the City of New York as liquidated damages.
6. The Occupancy Permit signing shall take place at 1 Centre Street or at such other place as the Deputy Commissioner may direct in writing, on a date determined by the Deputy Commissioner or her/his designee, upon not less than ten (10) days prior notice.
7. All monies paid by the successful bidder will be retained by the City of New York as liquidated damages in the event that the successful bidder fails to appear (or appears and refuses) to execute the Occupancy Permit, or fails to provide the required personal guarantees as set forth in this offering.
8. Permittee's obligation to surrender possession either at the expiration of the Occupancy Permit or upon the earlier termination of the Occupancy Permit by the City resulting from the City's exercise of its right to recapture the property, shall be personally guaranteed by an individual satisfactory to the City, provided, however, that the City shall have the sole and absolute right to either waive such personal guarantee in the case of a responsible corporate bidder and/or to require a performance bond, letter of credit, or such other and further security as the City may require or any combination thereof.
9. A bidder may not withdraw its bid before the expiration of forty-five (45) calendar days after the date of the opening of bids or such longer period as determined by the concession manager and set forth in this solicitation. Thereafter, a bidder may withdraw its bid only in writing and in advance of an actual grant of concession. The concession manager shall document each request for withdrawal and prepare a written determination, with supporting facts, as to whether or not the bid was permitted to be withdrawn. Such determination shall be included in the concession file folder with a copy thereof forwarded to the bidder.

Notwithstanding the above provision, the Division of Real Estate Services shall ordinarily return to a bidder within a reasonable period all monies bid for a parcel if that bid was not one of the three highest bids for that parcel. However, the Deputy Commissioner reserves the right to retain any such number of bids as he/she determines is necessary to certify a responsible high bidder.

10. No brokerage or other commissions will be paid by the City of New York on any property offered for bid herein.
11. The New York City Comptroller is charged with the audit of concession agreements in New York City. Any person or entity who believes that there has been unfairness, favoritism or impropriety in the bid process should inform the Comptroller, Office of Contract Administration, 1 Centre Street, New York, New York 10007, telephone number (212) 669-2323.
12. Special Occupancy Permit Terms and Conditions will be specified for each parcel on the individual offering pages.
13. The Occupancy Permit will be in conformance with the offering, including any applicable Special Permit Terms and Conditions and will not be subject to negotiation or modifications.
14. The Occupancy Permit contains additional water-related insurances which may be required of permittee, in the event the permittee's proposed use of the premises is water-dependent.
15. This offering is subject to the concession rules as published in NYC Concession Rules (Title 12 of the Rules of the City of New York, Chapter 1), as amended from time to time. Bidders are encouraged to review these rules. Copies of the rules are available from the Mayor's Office of Contract Services, Public Hearing Unit, 253 Broadway, 9th Floor, New York, NY 10007, or may be viewed at the Division of Real Estate Services, 1 Centre Street, 19<sup>th</sup> Floor North, New York, NY 10007.

# OCCUPANCY PERMIT PARCEL 8 – BROOKLYN



Not to scale  
All dimensions are approximate

LOCATION: South side of 52<sup>nd</sup> Street, approximately 865 feet west of 1<sup>st</sup> Avenue

BOROUGH: Brooklyn

BLOCK: 803

LOT: Part of Lot 5

PROPERTY TYPE: Two story building and unimproved land

SQUARE FOOTAGE: Approximately 21,140 square feet of unimproved land and 8,000 square foot building

USE: As-of-Right

ZONE: M3-1

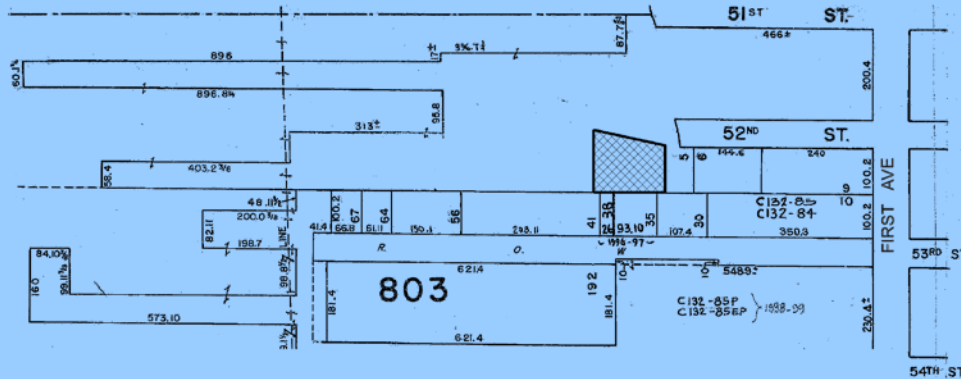
PERMIT TERM: One (1) year plus two (2) additional one (1) year options, at the City's option only. If option granted, charge will increase by 5% annually

MINIMUM MONTHLY BID: \$4,950

SPECIAL TERM AND CONDITION: If renewal option is granted, charge shall increase on each anniversary of the commencement date at the rate of five percent (5%) for each year of the term

INSPECTION DATES: Tuesday, August 10, 2010, 9:30 a.m. to 10:30 a.m.  
Monday, August 16, 2010, 10:00 a.m. to 11:00 a.m.

# OCCUPANCY PERMIT PARCEL 9 – BROOKLYN



Not to scale  
All dimensions are approximate

LOCATION: South side of 52<sup>nd</sup> Street, approximately 465 feet west of 1<sup>st</sup> Avenue

BOROUGH: Brooklyn

BLOCK: 803

LOT: Part of Lot 5

PROPERTY TYPE: Unimproved land

SQUARE FOOTAGE: Approximately 16,166 square feet

USE: As-of-Right

ZONE: M3-1

PERMIT TERM: One (1) year plus two (2) additional one (1) year options, at the City's option only. If option granted, charge will increase by 5% annually

MINIMUM MONTHLY BID: \$3,150

SPECIAL TERMS AND CONDITIONS: If renewal option is granted, charge shall increase on each anniversary of the commencement date at the rate of five percent (5%) for each year of the term

INSPECTION DATES: Tuesday, August 10, 2010, 10:30 a.m. to 11:30 a.m.  
Monday, August 16, 2010, 11:00 a.m. to 12:00 p.m.

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**MANUFACTURING:** Manufacturing Districts (M1-M3) vary according to their impact on the environment and the types of materials used in the production processes. No residential use is permitted in M zones without first obtaining a variance from the Board of Standards and Appeals.

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R3-2 to R10	Residence of all kinds; Community Facilities	1,2,3,4

### COMMERCIAL DISTRICTS: Permitted Uses

District	Uses	Permitted Use Groups
C1	Wide range of retail stores and personal service establishments for local shopping; Residential and Community Facilities.	1-6
C2	Wide range of local service establishments; Residential and Community Facilities.	1-9, 14
C3	Waterfront recreation, related to boating and fishing; Residential and Community Facilities.	1-4, 14
C4	General Commercial uses such as department stores, theatre, etc; Residential and Community Facilities.	1-6, 8-10,12
C5	Central Commercial uses which serve the entire metropolitan region; Residential and Community Facilities.	1-6, 9-11
C6	Full range of commercial uses requiring a central location; Residential and Community Facilities.	1-12
C7	Large, noisy, traffic generating uses such as open amusement park.	4-10, 12-15
C8	Service establishments such as automobile service stations.	4-14, 16

### MANUFACTURING DISTRICTS: Permitted Uses

District	Uses	Permitted Use Groups
M1	Light industrial uses such as research laboratories, or wholesale service facilities certain Community Facilities.	4-14, 16, 17
M2	General industrial uses with performance characteristics less desirable than those permitted in M1 district.	5-17
M3	Heavy industrial uses such as chemical manufacturing, power plants, foundries, etc.	5-18