

REQUEST FOR PROPOSALS

**For the sale or lease of real property
interests above**

John D. Caemmerer

West Side Yard

February 22, 2005



Metropolitan Transportation Authority

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EXHIBITS

EXHIBIT A – Forms

- Form 1 - Experience and Qualifications of Proposer
- Form 2 - Experience and Qualifications of Design Professionals
- Form 3 - Disclosure of Contacts
- Form 4 – Disclosure of Prior Non-Responsibility Determination
- Form 5 – Certification of Compliance with Executive Order 127

EXHIBIT B – Deed Conveyance of Facility Airspace Parcel

EXHIBIT C – Declaration of Easements

EXHIBIT D – Platform Completion Guarantee

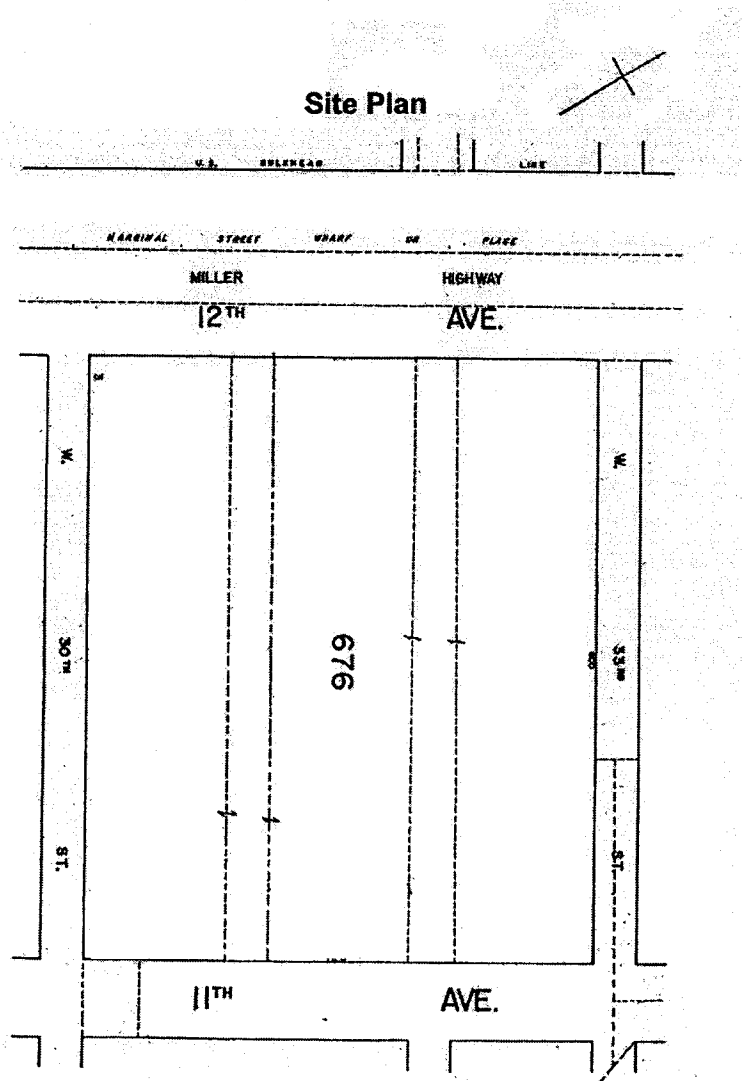
EXHIBIT E – Agreement of Lease

EXHIBIT F – Guaranty of Lease

I. INTRODUCTION

A. Summary of Request

The Metropolitan Transportation Authority (the "MTA") requests proposals for the sale or lease of the air space and related real property interests above a limiting plane approximately 22 feet above top of rail above the western portion of the John D. Caemmerer West Side Yard (the "Site").



Triborough Bridge and Tunnel Authority (the "TBTA"), a public-benefit corporation affiliated with the MTA, owns the fee interest in the Site. It is anticipated that TBTA will transfer its interests in the Site to MTA prior to such sale or lease. The MTA will consider a sale or up to a 99-year non-subordinate lease of the entire Site (a "Disposition") for redevelopment.

The MTA is committed to working promptly to bring about the Disposition of the Site, while taking into account the respective goals and needs of the MTA, the State of New York (the "State"), the City of New York (the "City"), and the community in which the Site is located.

The MTA intends to consider proposals from one or more developers (each a "Proposer") who desire to acquire/lease and redevelop and/or reuse the Site. The MTA intends to enter into a Disposition with the Proposer whose proposal most successfully meets the goals set forth in Section II of this Request for Proposals (the "Request"), provided that such Proposer is found qualified to carry out its proposal and its proposal fully complies with the requirements of this Request. Proposers are invited to submit proposals in accordance with the terms and conditions of this Request.

All submissions and communications with respect to this Request should be made to Roco Krsulic, Director of Real Estate, the MTA's project manager ("Project Manager") as follows:

Metropolitan Transportation Authority
Real Estate Department
347 Madison Avenue, 8th Floor
New York, New York 10017
Attn: Roco Krsulic, Director of Real Estate
Telephone: 212-878-7368
Fax: 212-878-0155

All proposals must be delivered to MTA on or before 5:00 p.m., March 21, 2005 (the "Proposal Due Date").

II. GOAL

The goal is a Disposition of the air rights over the entire Site in a manner that will maximize the economic benefit to MTA for improvement of the public transportation facilities and functions of the MTA at the least economic and environmental risk to MTA; however, this goal will be pursued in the context of the following, which will also be considered:

- a. The economic development, planning, and civic needs and desires of the City and the State;
- b. Consideration of the interests of the surrounding community;
- c. The selection of a developer or development team with the experience, reputation, and creditworthiness appropriate for the successful development of a project of this magnitude and importance.
- d. Consistency with MTA Long Island Rail Road's ("LIRR") need to continually operate critical transportation services within the West Side Yard and related support facilities.

III. THE SITE

A. Real Property And Amenities

The Site is situated on the New York City "Super-block" that is bound on the north by West 33rd Street, on the south by West 30th Street, on the east by 11th Avenue and on the west by 12th Avenue. The property is located in the Far West Side section of the Borough of Manhattan, City, County and State of New York within Manhattan Community District Number 4. The Site, Block 676, Lot 3, is rectangular in shape and has 800 feet of frontage on both West 30th and West 33rd Streets and 712 feet six inches of frontage on both 11th and 12th Avenues. The Site contains 13.085 acres, or approximately 570,000 square feet of lot area.

The property is located in a peripheral, secondary industrial and transportation related area adjacent to the Hudson River. The nearest cross town bus line travels along 34th Street, while north and south bound bus lines are located on the avenues. The nearest subway station is three blocks east at 34th Street and 8th Avenue (A, C, E trains), the northwestern most point of Pennsylvania Station. Pennsylvania Station is served by various public transportation carriers, including MTA Long Island Rail Road, New York City Transit, New Jersey Transit and Amtrak. The Port Authority Bus Terminal is located seven blocks north and two blocks east of the Site.

The Site is located within a M2-3 medium manufacturing-medium performance zoning district. This district allows manufacturing use and has a floor area ratio (FAR) of 2.0. Therefore, under current zoning the property has a developable area of 1,140,000 square feet, based on a lot area of 570,000 square feet and a floor area ratio of 2.0. The High Line, an elevated freight railroad viaduct that is owned and managed by the Consolidated Rail Corporation ("Conrail") and CSX Corporation and is not currently in use and is partially located within and close to the southern and western borders of the Site. The 2004/2005 real estate taxes for the site were \$0 based on a \$0 assessed value. Were it not for MTA's tax exempt status, the Site would be subject to a Tax Class III rate of \$12.553 per \$100 of assessed value.

The Site is located just west of and abutting the western boundary of the City's Hudson Yards Rezoning and Development Program adopted by the City Council in January 2005. Under to this program the maximum permitted FARs range from 18.0 to 19.0 for commercial and limited residential use along the east side of 11th Avenue from West 30th Street to West 41st Streets. A component of the rezoning and

development plan contemplates the extension of cross town subway service in the form of the No. 7 Line subway extension to 34th Street and 11th Avenue by 2010.

The Site, which is owned in fee by the Triborough Bridge and Tunnel Authority d/b/a MTA Bridges and Tunnels, is currently used as a commuter rail car and locomotive storage yard with support facilities for LIRR. Any development on the site should contemplate that LIRR would maintain the use and occupancy of the existing tracks and support facilities. Any future structure to be developed on the Site must generally be a minimum of 22 feet above top of rail, although certain limited clearance variances may be permitted by LIRR on a case-by-case basis.

B. Special Site Conditions

Two of the three blocks comprising the Site are above a critical LIRR transportation facility. Opened in 1986, the West Side Yard allows for arriving peak period LIRR trains in Penn Station to continue west after discharging passengers. It also allows for peak period LIRR evening trains to proceed from the yard to the platform in Penn Station and promptly board eastbound passengers. This capability shortens platform dwell times and reduces the number of conflicts in traffic patterns effectively allowing for more trains to move through Penn Station. In effect, the West Side Yard permits “through-running” of LIRR trains at Penn Station.

In addition to building over an active rail yard, each Proposer’s design must permit possible future construction of an at- and/or below-grade bus depot on the 30th to 31st Street, 11th to 12th Avenue block.

The special nature of the Site creates certain unique requirements and constraints which each Proposer must take into account when preparing its proposal. The following are significant requirements relating to the continuing under-platform use that must be considered:

1. Code Compliance

- LIRR will be the Building Code of New York State code permitting agency for the platform and below-platform portions of construction. LIRR will coordinate with the New York City Department of Buildings which will be the code compliance entity for above platform work.

2. Design Review and Approval

- The Selected Developer will be responsible for designing platform and under-platform systems in a manner which meet LIRR operating requirements (all related design and

construction costs for the platform and under-platform systems serving the rail yard functions shall be borne solely by Selected Developer). The following are examples of issues that will need to be addressed:

1. Ventilation
 2. Lighting
 3. Power
 4. Security
 5. Fire Code NFPA-130
 6. Fire alarms
 7. Fire control: pumps, sprinklers, pull-boxes
 8. Smoke Evacuation
 9. Thermal protection
 10. Decking
 11. Structural design
 12. Emergency lighting
 13. Emergency standby power
 14. Public Address systems and strobes
- LIRR approval will be required at defined stages of the design, contract documentation and construction process.
 - LIRR approval of material change orders to the platform and under-platform systems will be required.
 - Selected Developer must plan for and cooperate in the coordination of all interfaces with any future enclosures over the eastern portion of the West Side Yard and its related under-platform systems. (The eastern portion of the West Side Yard is bounded by West 33rd Street on the north, West 30th Street on the south, Tenth Avenue on the east, and Eleventh Avenue on the west.) When the eastern portion of the rail yard is enclosed, the West Side Yard becomes one integrated enclosed space requiring coordinated systems and controls.
 - In connection with all LIRR involvement in the overbuild project, the Selected Developer must agree to reimburse LIRR for its costs and expenses, including the cost of consultants and outside counsel.

3. Platform Construction Issues

- Selected Developer must comply with the LIRR work plan and look-ahead process.
- Selected Developer must comply with LIRR site control and protection requirements.
- Selected Developer must take into account LIRR's requirements with respect to the scheduling and phasing of platform construction.
- In order to minimize interference to LIRR commuter rail operations and service, LIRR will only permit a limited number of yard tracks to be taken out of service at any one time.

- Selected Developer will be required to secure at its sole cost and expense LIRR protection forces for all overbuild and yard-related activity.
- Selected Developer must comply with all LIRR health and safety requirements.
- LIRR will have a construction oversight role throughout platform and below-platform construction.
- LIRR will require platform completion guarantees from a creditworthy source.
- LIRR will have the right to approve platform, foundation and under-platform systems contractors.

4. Off-Site Costs

- LIRR may be required to store trains and/or other equipment at other locations to accommodate the track outages required for construction over the operating rail track. These other locations may require improvements to serve this function. The Selected Developer will be required to pay all the costs associated with this off-site storage, including related capital improvements and operating costs.

5. Platform and Under-Platform Systems Repair and Maintenance

- Selected Developer will be responsible, at its sole cost and expense, for the maintenance and repair of the platform and any under-platform systems that it is required to install.

6. Possible Garage

- Selected Developer's design must permit possible future construction of an at- and/or below-grade bus garage on the 30th to 31st Street, 11th to 12th Avenue block.

7. Additional LIRR Operating Costs

- Selected Developer shall be responsible for reimbursement of all incremental LIRR operating costs associated with operations in an enclosed or semi-enclosed environment. The current estimate of such annual incremental costs is approximately \$1.5 million. However, this estimate does not include incremental security related costs which are currently being studied. Depending on the design and use being proposed, the actual additional LIRR operating costs could vary substantially from the estimate.

8. High Line

- The status of the High Line has been the subject of ongoing proceedings before the former Interstate

Commerce Commission (the "ICC") and the Surface Transportation Board (the "STB"). MTA makes no representations regarding, and the Selected Developer shall take all of the risk associated with the future status of the High Line. Information relating to the status of the High Line can be obtained from the STB website at www.stb.dot.gov and in the Final Generic Environmental Impact Statement for the proposed No. 7 Subway Extension and Hudson Yards Rezoning and Development Program at the New York City Department of City Planning website at <http://nyc.gov/html/dcp/html/hyards/hymain.html>.

IV. TERMS AND CONDITIONS

A. Not an Offer

This Request does not constitute an offer to sell or lease the Site or any portion thereof, nor a solicitation of offers to sell or lease the Site or any portion thereof. Neither the MTA, LIRR, nor any affiliate or subsidiary of any of the foregoing, shall incur any obligation or liability on account of any submission made in connection with this Request (nor shall any proposal be deemed accepted) unless and until an agreement setting forth all the terms and conditions of a transaction has been fully negotiated and a written agreement incorporating such terms and conditions has been fully executed and unconditionally delivered by all the parties thereto and all necessary consents and approvals have been obtained including, without limitation, approval of such written agreement by the MTA Board.

B. Taxes

Property owned by MTA is exempt from taxation and special ad valorem levies. MTA is required to pay no fees, taxes or assessments, whether state or local, including but not limited to fees, taxes or assessments on real estate. MTA anticipates that under a lease arrangement the Site and any improvements thereon or therein will continue to be owned by MTA and will be exempt from real property taxes. However, MTA may require the Selected Developer to make payments in lieu of real property taxes ("PILOT") to MTA in an amount equal to real property taxes that would have been payable by the Selected Developer but for MTA's exemption, taking into account any as-of-right tax exemptions to which the Selected Developer would have been entitled based on the nature of the improvements constructed and/or the taxable status of the Selected Developer. Such PILOT payments would be made to MTA at the same times and in the same amounts as the real property taxes that would have been payable but for MTA's exemption. Proposers must identify (a) the timing and amount of PILOT payments that they would anticipate being due to MTA under their development proposal and (b) any real property tax abatements, real property tax exemptions, or other real property tax related matters which would change the timing or reduce the amount of such PILOT payments to MTA.

Certain tangible personal property that is an integral component of a building or structure owned by MTA is exempt from sales tax. MTA anticipates that under a lease arrangement any tangible personal property that is an integral component of improvements in or on the Site will be exempt from sales tax.

However, MTA may require the Selected Developer to make payments in lieu of sales taxes ("PILOST") to MTA in an amount equal to the sales taxes that would have been payable by the Selected Developer but for MTA's exemption.

C. Permits and Approvals

The Selected Developer will be required, at its sole cost and expense, to comply with all applicable federal, state, and local laws and regulations, and to obtain from all appropriate government authorities all construction and ancillary approvals for the development of the Site, including but not limited to, all required building permits and approvals. No proposal that is contingent upon a change in existing zoning requirements will be considered. All risk associated with potential rezoning of the Site will be borne fully by the Selected Developer. However, as discussed in Section V.B 1. of this Request, a Proposer may submit an alternative proposal that provides for an initial up-front payment that would be enhanced in the event that the Site were rezoned.

D. Expenses

Under no circumstances shall MTA or LIRR be liable for any of the costs of any Proposer or the Selected Developer in connection with preparing a proposal in response to this RFP, negotiating with MTA, or otherwise participating in this RFP process. The Selected Developer shall be solely responsible for the following costs and expenses: (i) to the extent applicable, New York City and New York State real property transfer and conveyance taxes; (ii) recordation fees with respect to any recordable instruments contemplated by the documents which shall govern the disposition of the Site (the "Disposition Contract"); and (iii) the cost of any surveys desired by the Selected Developer. The Selected Developer shall also be responsible for payment of the following costs and expenses of MTA and LIRR in connection with this Request, the negotiation of the Disposition Contract and related documents, the closing of any transactions relating to the disposition of the Site, and the design and construction of improvements on the Site: (A) fees and disbursements of outside counsel, engineers, appraisers, consultants, and financial and real estate advisors retained by MTA and/or LIRR; and (B) in-house force account costs, including without limitation, the costs of design review, construction oversight and inspection and site protection services (all such costs and expenses being collectively referred to as the "MTA/LIRR Costs"). Commencing upon notice to the Selected Developer on the Developer Selection Date that it is the Selected Developer, such Selected Developer shall be liable for all of the MTA/LIRR Costs including those incurred prior to the Developer Selection Date, regardless of whether the Disposition Contract is completed or there are any closings related to the disposition.

Within five (5) days after the occurrence of the Developer Selection Date, (as hereinafter defined) the Selected Developer will be required to deposit with the MTA the sum of \$500,000 (the "Expenses Fund") to cover the anticipated MTA/LIRR costs through the date of execution and delivery of the Disposition Contract. MTA shall have the right to withdraw amounts from the Expenses Fund necessary to reimburse MTA and/or LIRR for MTA/LIRR Expenses. At any time that the amount of the Expenses Fund shall be less than \$100,000, the Selected Developer shall deposit with the MTA such amount that shall be necessary to restore the amount of the Expenses Fund to not less than \$250,000. Any amounts remaining in the Expenses Fund after reimbursement of all MTA/LIRR Expenses incurred through the date of execution and delivery of the Disposition Contract shall be refunded to the Selected Developer.

IV .D

E. Project Manager

The Project Manager is authorized only to direct the attention of Proposers to various portions of this Request (including all attachments) and to consider requests for clarification. Neither the Project Manager nor any other employee of the MTA, or the LIRR, is authorized to give interpretations of this Request or additional information regarding the requirements of this Request. Interpretations or additional information, if provided, will be communicated to Proposers only by public notice or written addenda, and shall be considered part of the Request. Pursuant to MTA's Vendor Code Of Ethics (which may be found at www.mta.info/mta/procurement/vendo-code.htm) Proposers should not contact other employees or consultants of the MTA, the LIRR, or any other governmental entity regarding this Request or send proposals to them. Failure to observe this requirement may result in the Proposer's disqualification from consideration pursuant to this Request.

The MTA will provide each Proposer the opportunity to inspect the Site. Site visits will be scheduled by the Project Manager, who should be contacted for the exact dates and times.

F. Environmental Issues

Disposition of the Site may trigger the need for an environmental review under the State Environmental Quality Review Act ("SEQRA"). If so, the Selected Developer will fully compensate MTA for all costs and expenses associated with compliance with SEQRA, including but not limited to the cost and expenses of preparing any and all reports, analysis, and documentation; public notifications, outreach, meetings, and hearings; and the procurement of environmental consultants and counsel as may be required.

The Selected Developer shall be responsible for all environmental conditions at the Site arising from or connected with (a) any act or omission in connection with site investigations, site excavation and construction and all associated activities conducted by or on behalf of the Selected Developer; (b) the release or threatened release of hazardous or regulated substances at any location where the Selected Developer has caused materials removed from the Site to be transported and disposed; (c) the negligent use and occupancy of the Site and related property by the Selected Developer or the failure of the foregoing to exercise due care in its operations; (d) the utilization of the Site by the Selected Developer for non-permitted uses; or (e) the breach by Selected Developer of any of the terms of the Disposition Contract. The Selected Developer shall indemnify and hold the MTA harmless from any and all environmental claims, environmental clean-up liabilities, and other actions, causes of action, suits, proceedings, administrative orders, costs, charges, and damages directly or indirectly arising therefrom.

MTA has procured certain environmental investigations of the West Side Yard, including the Site, in connection with the Final Generic Environmental Impact Statement for the proposed No. 7 Subway Extension and Hudson Yards Rezoning and Development Program (the "FGEIS"), but makes no representations regarding the presence or absence of hazardous materials or any other environmental conditions that may impact the value of the Site or the future development thereon. Proposers can find a description of the results of those environmental investigations in the FGEIS, which can be accessed on the Internet at <http://nyc.gov/html/dcp/html/hyards/hymain.html>

MTA recognizes that the Selected Developer may desire to undertake further environmental investigation before being bound as described above, and MTA will work with the Selected Developer to establish a process to allow for such further investigation before the Selected Developer is so bound. Such a process may include a requirement that the Selected Developer enter into an entry permit with MTA and LIRR in which, among other things, the Selected Developer would agree to indemnify and hold the MTA and LIRR harmless from liabilities that may arise from the discovery of hazardous or regulated substances in, on or under the Site by the Selected Developer or the Selected Developer's consultants.

V. SUBMISSION REQUIREMENTS

A. General

Ten (10) bound originals of the material required, including all forms and attachments must be received by the MTA by 5:00 p.m., March 21, 2005, at 347 Madison Avenue, 8th Floor, New York, New York 10017, addressed to the attention of Roco Krsulic, (the "Project Manager"). The original proposal must be signed by a representative of the Proposer authorized to bind the Proposer and must provide the name, address, and telephone numbers of individuals who have authority to bind the Proposer and who may be contacted during the period of proposal evaluation.

B. Organization of Proposal

The proposal should be organized as follows:

1. Disposition of Site

The proposal must set forth the payments to be made to MTA in connection with the disposition of the Site based on the "Where Is/As Is" condition of the Site. The purpose of the "Where Is/As Is" requirement is to place all zoning risk on the Proposers and none on the MTA. Offers that are in some way conditioned upon future zoning will not be deemed responsive. However, in addition to its "Where Is/As Is" proposal, a Proposer may submit an alternative proposal that provides for an initial up-front payment that would be enhanced in the event that the Site were rezoned to the same FAR as the eastern portion of the West Side Yards or otherwise.

- a. If the disposition is a fee simple transfer of the Site, identify the following:
 1. The proposed purchase price (the "Purchase Price"), including:
 - (i) The amount of the non-refundable down payment (the "Purchase Down Payment") to be paid upon execution and delivery of the Disposition Contract, which amount shall be not less than ten percent (10%) of the Purchase Price and which shall be in the form of cash or cash-equivalents. The Down Payment will be deducted from the Purchase Price.
 - (ii) The terms of payment of the remaining portion of the Purchase Price.
 2. A certification that Proposer has reviewed the form of Deed, Declaration of Easements and Platform Completion Guarantee attached to this Request as Exhibits B, C and D,

respectively, and that all such terms are acceptable or, in the alternative, which identifies all provisions to which Proposer takes exception, together with the alternative language for that provision which is acceptable to Proposer.

- b. If the disposition is a non-subordinate lease of the Site, identify the following:
 1. The proposed term, including renewal options.
 2. The amount and timing of rent payments, including any pre-development rent or rent abatements.
 3. The guaranteed base rent to be paid the MTA throughout the term of the lease, including escalations. The description of escalations must include the method used to calculate escalations, their timing, and the projected amount of each escalation. Fair market rental resets and timing of the same should be described.
 4. The amount of the non-refundable prepayment of rent (the "Rent Prepayment") to be paid upon execution and delivery of the Disposition Contract, which amount shall be not less than ten percent (10%) of the present value of the guaranteed base rent (discounted at six percent (6%) per annum). The Rent Prepayment shall be in the form of cash or cash-equivalents.
 5. Any additional payments to MTA proposed by Developer, including any PILOT and PILOST payments.
 6. MTA's share of proceeds from a capital event such as an assignment of the leasehold interest, transfer of interest in the Selected Developer's business entity, refinancing or sale of the project, or any other capital event after construction.
 7. A certification that Proposer has reviewed the form of Ground Lease, Guaranty of Lease, Declaration of Easements and Platform Completion Guarantee attached to this Request as Exhibits E, F, C and D, respectively and that all such terms are acceptable or, in the alternative, which identifies all provisions to which Proposer takes exception, together with the alternative language for that provision which is acceptable to Proposer.

It should be noted that an "all cash" transaction will best serve the goal of the MTA set forth in Section II of this Request whether for full sale price or prepaid rent, and that any proposal providing for such an "all cash" transaction will therefore be more favorably considered than a proposal that does not call for an "all cash" transaction. Furthermore, the MTA will not consider a proposal that includes purchase money or similar financing by the MTA.

2. Narrative

A narrative description of the proposal must be provided. It should include but not be limited to the following items:

1. Proposed use and/or program concept, including a detailed breakdown of commercial, retail, hotel and/or residential uses for the Site and any public areas or amenities;
2. Proposed property management;
3. Operating characteristics (hours of operation, anticipated daily usage, and peak periods);
4. Architectural features which illustrate the development program;
5. Relationship of proposal to adjacent public spaces, including entrances to the subway, bus stops, and surrounding residential and commercial properties; and
6. Quantification of economic impact, including taxes, direct construction and permanent jobs (broken out separately) associated with the project, and other direct and multiplier effects on the economic activity of the City (stating all assumptions and describing in detail and setting forth all quantitative methods and calculations used to support such qualification).

3. Drawings and Plans

The following drawings must be provided:

- a) General site plan.

4. Financing Plan

Each Proposer must submit a financing plan satisfactory to the MTA as part of its proposal. This financing plan should include all information required to provide the MTA sufficient data to evidence that the proposed development can be financed, constructed, and delivered in a timely fashion. The financing plan should contain the following:

- a) Development schedule and budget;
- b) Sources and uses statement;
 - (1) Sources, amounts, terms and conditions of financing, and the Proposer's equity; and

- (2) Breakdown of uses of funds in the project, including an itemized list of all costs associated with the improvements of the Site;
- c) Pro forma cash-flow statements, with documentation of assumptions for a 20-year period;
- d) Evidence of financing consistent with sources and uses statement;
- e) Evidence of financial capacity of lenders and equity sources.
- f) Identity and financial capacity of guarantor to guaranty lien-free completion of the platform over the railyards and the related under-platform equipment.

At the MTA's request, the Proposer will submit a revised updated, detailed financing plan setting forth such information as MTA (in consultation with its advisors) deems, in the exercise of its sole discretion, helpful or relevant in evaluating the Proposer or any aspect of its proposal and indicating any and all changes from any initial financing plan.

5. Project Completion Schedule

Detailed schedule from the execution date of the Disposition Contract through building occupancy must be provided. The schedule should show estimated dates of commencement and completion, commitments from lenders (and tenants, if applicable), and renovation and new construction time periods (as appropriate). The development schedule should include but not be limited to the following:

- a) Preliminary design (work on which should commence promptly after the occurrence of the Developer Selection Date);
- b) Phasing plan, if applicable;
- c) Construction documents;
- d) Reviews and approvals;
- e) Construction;
- f) Substantial completion date; and
- g) Occupancy date.

6. Development Team Information

To enable the MTA to assess a Proposer's ability and resources to carry out the proposed redevelopment, the Proposer must complete and submit with its proposal the forms included in Exhibit A. These forms include information regarding:

- a) Description of Proposer;
- b) Description of development team (including the design team) structure and all relevant experience; and
- c) Complete disclosure of financial information of the Proposer, including credit information regarding the Proposer, credit references, and relevant financial statements, including, without limitation, net worth statements.

7. New York State Executive Order Number 127

New York State Executive Order Number 127, Providing For Additional State Procurement Disclosure ("EO 127") requires the MTA to systematically seek the disclosure of persons or organizations whose intended purpose is to influence certain procurements as defined by EO 127. This disposition comes under this definition. EO 127 requires the MTA to record information about all such persons or organizations that "attempt to influence the [proposal] process," and to make that information accessible to the public. In addition, it requires contractors, consultants and potential contractors and consultants, to disclose to the MTA the identity of persons or organizations retained, employed or designated by them to attempt to influence a proposal process. EO 127 also requires that the Proposer must declare whether the person/organizations retained, employed or designated to attempt to influence the procurement process has a financial interest in the procurement.

Obligations under EO 127 continue after contract award and may apply to any subsequent amendments to the contract.

Failure of the Proposer to timely disclose and complete information or to otherwise cooperate with the MTA in the implementation of EO 127 shall be considered by the MTA in its determination of the responsibility of Proposer.

The following forms which are included in Exhibit A, must be completed by the Proposer in order to comply with EO 127:

Form 3 - Disclosure of Contacts Form

Form 4 - Disclosure of Prior Non-Responsibility Determinations

Form 5 - Certification of Compliance with Executive Order 127

Note: Failure to complete and return the forms with your Proposal may cause the Proposer to be deemed non-responsible.

VI. SELECTION PROCESS

A. General

The MTA may at any time exclude proposals that, in the sole and absolute discretion of the MTA, fail to comply with the requirements of this Request, or fail to meet the goals of the MTA set forth in Section II of this Request.

The MTA will review all proposals for completeness and compliance with the terms and conditions of this Request, and may request from any or all of the Proposers additional material, clarification, confirmation, or modification of any submitted proposal, including proposals that are incomplete or nonconforming as submitted. Except at the request or by the consent of the MTA (which consent shall be in the sole and absolute discretion of the MTA), Proposers will not be entitled to change their proposals once submitted.

The MTA evaluation committee will review and evaluate all responsive proposals.

The MTA evaluation committee will present such evaluations to the MTA Board for action, which may include, among other alternatives, direction to continue discussions with one or more of the Proposers or the selection of the Proposer that, in the sole and absolute discretion of the MTA, most successfully fulfills the Selection Criteria (as such term is hereinafter defined) and best meets the other needs and goals of this Request and the MTA.

The MTA reserves the right, at any time and in its sole and absolute discretion, to reject any or all proposals, to withdraw the Request without notice, to use the proposals as a basis for negotiation with one or more Proposers and/or with parties other than those responding to this Request and/or on terms other than those set forth herein. The MTA reserves the right to waive compliance with and/or change any of the terms of this Request.

B. Criteria

In evaluating the proposals for the MTA Board, the MTA evaluation committee will consider such criteria (all criteria considered by the MTA being hereinafter referred to collectively as the "Selection Criteria") that, in its sole and absolute discretion, are in the best interests of the MTA. The criteria listed below are of significant concern to the MTA:

- a) Quantity and certainty of the financial return to the MTA;

- b) Financial viability of the proposal;
- c) Overall economic development benefit of the proposal;
- d) Proposer's experience in the development, management, marketing and design of projects of a scale, complexity, and quality similar to that required by the Request, and its ability to implement its proposal;
- e) Proposed timeframe for commencement and completion of the redevelopment or reuse;
- f) Proposer's financial qualifications (including its proven ability to obtain financing for projects of similar size, experience with institutional lenders, and evidence of the willingness of such lenders to finance the proposed development), and the amount of equity or personal risk the Proposer proposes for the proposal;
- g) Quality of the development program including the proposed use and design based on:
 - (i) Overall compliance with this Request; and
 - (ii) Relationship and overall benefit to adjacent public spaces, streets, properties and community;
- h) Proposer's previous record of performance in business dealings with any municipal, state, or federal agencies, including the MTA; and
- i) Ability of the Proposer and the MTA to agree on the terms of a Disposition Contract.

C. Deposits and Security

- a) Together with their proposal, each Proposer shall include a non-refundable Administrative Fee of \$25,000.00. This shall be in the form of a cashier's check made payable to MTA.
- b) Upon execution of the Disposition documents, a down payment of \$20 million in the form of cash or an irrevocable letter of credit will be required from the selected Developer.
- c) The Selected Developer will be required to post the Expenses Fund as set forth in Section IV. D. of this Request.
- d) With respect to any Disposition, the Administrative Fee will be retained by the MTA and the Selected Developer will not

be entitled to any credit against the Purchase Price or lease rent in connection therewith.

VII. INTENTION

The MTA intends to select a Proposer for award of a Disposition Contract as described in this Request. However, as stated elsewhere in this Request, the MTA reserves the right, without liability, to accept any and reject all the proposals submitted in response to this Request and to dispose of the Site outside this solicitation process.

If for any reason the MTA decides not to proceed with the Disposition of the Site or decides to dispose of the Site outside this solicitation process, the MTA will not be liable for any costs and expenses associated with the preparation, clarification, submission, or negotiation of proposals submitted in response to this Request.

VIII. GENERAL CONDITIONS

MTA and LIRR make no representations or warranties whatsoever with respect to this Request and the Site, including, without limitation, representations or warranties as to the accuracy of any information or assumptions contained in this Request or otherwise furnished to Proposers; the use or progress of development of the Site, or any portion thereof; and site and environmental conditions or the suitability of the Site for any specific uses or development. Proposers shall make their own analysis and evaluation of the income potential and profits and expense of the Site, as well as the physical condition, operation, layout, size, building systems or structural integrity, and Proposers shall not rely upon any statement or information given to Proposers by the MTA or LIRR, including without limitation, any information contained in this Request or in any other documents cited in this Request.

In addition to those stated elsewhere, this Request is subject to the specific conditions, terms, and limitations stated below:

- a) The Selected Developer will be required to comply with all applicable federal, state, and local laws and regulations.
- b) The Selected Developer will accept the Site in its "Where Is, As Is" condition on the date of Disposition.
- c) Any construction activities at the Site related to this proposal are to be performed at the sole cost and expense of the Selected Developer.
- d) Prior to commencing any work, the Selected Developer shall obtain valid permits and approvals, as required by the MTA, LIRR, and by City, State and federal laws, regulations, or agencies.
- e) No Proposer will be selected if, in the determination of the MTA, any principal of the Proposer or any other member of the Proposer's development team is in arrears or in default upon any debt, contract, or obligation to or with the State, City, the MTA, or any of their respective affiliates, subsidiaries, agencies, or instrumentalities.
- f) The MTA will not pay for or refund any costs and expenses incurred by a Proposer in responding to this Request or by the Selected Developer following selection or designation.

- g) All determinations as to the completeness or compliance of any proposal, or as to the eligibility or qualification of any Proposer, will be within the sole and absolute discretion of the MTA.
- h) Acceptance of a Proposer's proposal or selection of the Selected Developer pursuant to this Request will not create any rights on the Proposer's or Selected Developer's part, including without limitation rights of enforcement, equity, or reimbursement. After execution and delivery of the Disposition Contract (as more particularly set forth in Section VII hereof), the terms thereof will thereafter govern the relationship between the MTA and the Selected Developer. In the event of any variance between the terms of this request and the Disposition Contract, the Disposition Contract will govern.
- i) The MTA advises all Proposers that there is no legal obligation on part of the MTA to have a Disposition of the Site through a competitive bid or competitive negotiation process, that this Request does not constitute an offer or request for bids, and that the MTA reserves the right to use the proposals submitted as a basis for negotiation with Proposers or other parties as the MTA deems appropriate.
- j) This Request may be reissued, amended, or withdrawn if it is deemed in the best interest of the MTA or the State to do so, or if, in the sole and absolute judgment of the MTA (in consultation with its advisors), all the responses are unacceptable. Issuance of this Request does not obligate the MTA to undertake any action.
- k) Proposers will be rejected by the MTA if such Proposers, or any principal, partner, officer, director or principal shareholder of the Proposer's firm is determined, in the sole discretion of the MTA, to have been convicted of or, pleaded guilty or nolo contendere to a felony or crime of moral turpitude, to be an "organized crime figure", to be under indictment or criminal investigation, or to be in arrears or in default on any debt, contract, or obligation to or with a New York State or local government entity. The Selected Developer may be required to complete a background questionnaire to verify that it is in full compliance with these requirements.

IX. BROKERS

Proposals shall be accepted from principals only. No brokerage fees, finder's fees, commissions, or other compensation will be payable by the MTA in connection with the selection of the Selected Developer or the Disposition of the Site. Submission of a proposal by a Proposer in response to this Request will constitute an undertaking by the Proposer to hold harmless and indemnify and defend the MTA from and against any and all expenses, damages, or liability (including, without limitation, attorneys' fees and disbursements) arising out of any claim for such fees, commissions, or other compensation made in connection with such Proposer's response to this Request, selection or nonselection thereunder or negotiation and execution (or nonexecution) of a Disposition Contract.

Addendum No. 1
REQUEST FOR PROPOSALS
For the sale or lease of real property interests above
John D. Caemmerer West Side Yard

TO ALL PROSPECTIVE PROPOSERS:

You are hereby notified of the following:

1. The following paragraph should be added as Section III(B), paragraph 9:

“9. Future MTA Infrastructure Requirements

- Designs for the site should not preclude a future northward extension of the West Side Yard of up to six tracks north of the southern boundary of 33rd Street for the purpose of storing LIRR trains as noted on page 2-34 in the Final Generic Environmental Impact Statement for the proposed #7 Subway Extension and Hudson Yards Rezoning and Development Program. In addition, designs should provide for the construction of a future entrance off site on the northwest corner of 33rd Street and of 11th Avenue to access the proposed 34th Street station of the #7 Line. Details of the proposed 34th Street station are included in the Final Generic Environmental Impact Statement for the proposed #7 Subway Extension and Hudson Yards Rezoning and Development Program at the New York City Department of City Planning website at <http://nyc.gov/html/dcp/html/hyards/hymain.html>. As noted in the FGEIS, the cost of constructing this entrance will not be the responsibility of the MTA.”

2. The following sentence in Section IV (E):

“Pursuant to the MTA Vendor Code of Ethics (which may be found at www.mta.info/mta/procurement/vendercode.htm), Proposers should not contact other employees or consultants of the MTA, the LIRR or any other governmental entity regarding this Request or send proposals to them.”

is replaced in its entirety by the following sentence:

“Pursuant to the MTA Vendor Code of Ethics (which may be found at www.mta.info/mta/procurement/vendercode.htm), Proposers should not contact other employees or consultants of the MTA, the LIRR or any of MTA’s other subsidiaries or affiliates regarding this Request or send proposals to them.”

3. A prospective Proposer asked for clarification as to the type of real property interest which would be conveyed in connection with an acquisition of title to the Facility Airspace Parcel.

A: The alternative transaction structures are described in the RFP, and the proposed conveyance documents and related declaration of easements are attached to the RFP.

4. A prospective Proposer asked for clarification of whether the report entitled "Zoning Analysis and Construction Feasibility at the West Side Storage Yards," submitted to the MTA Director of Real Estate on September 18, 1986 was ever finalized.

A: MTA is not aware that this report was ever finalized.

5. A prospective Proposer asked for clarification of the MTA's needs with regard to the possible future construction of a bus depot at street grade level and below on the block between 30th and 31st Streets and 11th and 12th Avenues.

A: MTA's requirements for the possible bus depot to replace the NYCTA Quill bus depot currently located on the block between 40th and 41st Streets and 11th and 12th Avenues are set forth in certain documents that are listed in Attachment A to this Addendum 1. Such information is available for review at the MTA, 347 Madison Avenue, New York, NY. An appointment for such review can be made by contacting Roco Krsulic, the Project Manager, at 212-878-7368. All persons requesting access to these documents will be required to sign a confidentiality and non-disclosure agreement relating to any non-public information in such documents. Additional information relating to the potential replacement bus depot including possible location of a portion of the new facility east of 11th Avenue can be found in the Final Generic Environmental Impact Statement for the proposed No. 7 Subway Extension and Hudson Yards Rezoning and Development Program at the New York City Department of City Planning website at <http://nyc.gov/html/dcp/html/hyards/hymain.html>.

6. A prospective Proposer asked whether the buildings at the corner of the Site bounded by 12th Avenue and 33rd Street can be relocated to permit new buildings in the proposed development to come down to grade in this area where there are not train tracks.

A: LIRR will not agree to the relocation of the functions that are performed in those buildings. However, LIRR will permit the reconstruction of those buildings in the same locations and providing the same floor area but with different height profiles as long as there is no interruption to LIRR's functional operations during and after construction.

7. A prospective Proposer asked whether it can assume, based on certain statements made by officials of the City of New York with respect to the High Line, that the City's commitments with respect to the High Line evidenced by such statements

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applies to any development of the Site and not only to the construction of a stadium.

A: MTA does not know what High Line related commitments the City would make with respect to any development of the Site other than for a stadium and suggests that prospective Proposers seek such information directly from the City.

8. A prospective Proposer has requested certain documents, plans, studies and other information relating to the Site and potential development thereon.

A: MTA will make available to all potential Proposers the information relating to the Site and potential development thereon which has been made available by MTA and LIRR to other potential Proposers and which MTA considers relevant to the preparation of a proposal. A list of such information is set forth in Attachment B to this Addendum 1. Such information is available for review at the MTA, 347 Madison Avenue, New York, NY. An appointment for such review can be made by contacting Roco Krsulic, the Project Manager, at 212-878-7368. All persons requesting access to these documents will be required to sign a confidentiality and non-disclosure agreement relating to any non-public information in such documents.

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9. A prospective Proposer has requested that it be permitted to undertake certain environmental and geotechnical investigations at the Site before it submits a proposal because of the related environmental indemnification obligations.

A: As described in the fourth paragraph of Section IV(F) of the RFP, MTA recognizes that a developer may desire to undertake further environmental investigation before being bound to an indemnification obligation and MTA has committed to work with the Selected Developer to establish a process to allow for such further investigation before the Selected Developer is so bound. MTA is of the view that the information cited in Section IV(F) of the RFP is sufficient for proposers at the initial proposal stage.

10. A prospective Proposer has requested specific information concerning the methodology to be used in determining financial return to MTA.

A. That methodology is in the process of being developed. MTA does not intend to share it with potential Proposers.

Attachment A:

Possible Garage

MTA's requirements for the possible bus depot to replace the NYCTA Quill bus depot currently located on the block between 40th and 41st Streets and 11th and 12th Avenues which has been made available to other potential Proposers and which MTA considers relevant to the preparation to a proposal are set forth in the documents listed below. Such information is available for review at the MTA, 347 Madison Avenue, New York, NY. An appointment for such review can be made by contacting Roco Krsulic, the Project Manager, at 212-878-7368. . All persons requesting access to these documents will be required to sign a confidentiality and non-disclosure agreement relating to any non-public information in such documents.

1. Excerpts from Operations and Planning Criteria, and Architectural Design Criteria, design guidelines for bus depot construction
2. Rehabilitation of Greyhound Bus Depot, Borough of Manhattan, selected floor plan drawings from Quill Depot Contract C-40397
3. Michael J. Quill Preliminary Scope Development/Program Analysis, a "Space Program" for the existing Quill Depot
4. Replacement of Michael J. Quill Depot, a February 24, 2003 depot requirements memo from NYCT DOB
5. Employees at MJQ, a March 10, 2003 email listing staffing requirements for the existing Quill Depot
6. Construction Phasing for New Michael J. Quill Bus Depot – Bulk Storage Items, a November 29, 2004 memo listing bulk storage depot requirements

Attachment B:

The following is the list of documents, plans, studies and other information relating to the Site and potential development thereon which has been made available to other potential Proposers and which MTA considers relevant to the preparation to a proposal. Such information is available for review at the MTA, 347 Madison Avenue, New York, NY. An appointment for such review can be made by contacting Roco Krsulic, the Project Manager, at 212-878-7368. . All persons requesting access to these documents will be required to sign a confidentiality and non-disclosure agreement relating to any non-public information in such documents.

1. Temporary Entry License between Metropolitan Transportation Authority and Long Island Rail Road, as Licensors and The Jets Development LLC as Licensee, dated August 27, 2004.
2. Memorandum of Understanding between Empire State Development Corporation, Jets Development LLC and Metropolitan Transportation Authority, dated March 25, 2004.
3. LIRR West Side Yard Documents:
 - a. "Draft" Railroad Operations

<u>Section No.</u>	<u>Section Title</u>
01010	Summary of the Work
01050	Field Engineering
01065	Safety
01070	Environmental Practices
01090	Acronyms, Abbreviations & Definitions
01150	Rail Road Operations
01200	Meetings
01310	Schedules
01340	Submittals
01350	Deliverables
01450	Quality System
01500	Construction Facilities & Temporary Controls
01570	Maintenance and Protection of Traffic
01600	Material & Equipment
01730	Operation & Maintenance Manuals
 - b. Rail Road Operations – Special Conditions

Section 4	Performance of Work
Section 7	Electric Light & Power
Section 8	Electrical Standards & Symbols

3. LIRR West Side Yard Documents (continued):
 - c. Other Documents
 - Building Finishes - Architectural
 - "Draft" Code Compliance
 - Utility Location Design Drawings
 - Soil Data
 - WSY Overbuild Study (RFP, Rough Draft - Baseline, Final Draft, Contract Documents)
 - CE-1: LIRR Clearance Envelope
 - WSY Layout Map
 - Fire Loads
 - Conix Box Survey
 - Platform Drawings & Details....

Addendum No. 2
REQUEST FOR PROPOSALS
For the sale or lease of real property interests above
John D. Caemmerer West Side Yard

TO ALL PROSPECTIVE PROPOSERS:

You are hereby notified of the following:

1. In Addendum No. 1, MTA agreed to make available to all potential Proposers the information relating to the Site and potential development thereon which has been made available by MTA and LIRR to other potential Proposers and which MTA considers relevant to the preparation of a proposal. A list of such information was set forth in Attachment B to Addendum 1. MTA has identified additional information not listed in Addendum 1 which will be made available to potential Proposers on a CD-ROM. The CD-ROM is available for pick-up in person at MTA, 347 Madison Avenue, New York, NY. An appointment for such pickup can be made by contacting Roco Krsulic, the Project Manager, at 212-878-7368. The person making the pickup of the CD-ROM and all other persons who will have access to the information thereon will be required to sign a confidentiality and non-disclosure agreement relating to any non-public information in such documents. Certain of the files on the CD-ROM require the user to have software that can read files with .dwg and .bak extensions. The following information is on the CD-ROM:
 - A. Drawings from 1982 West Side Storage Yard Complex Contract No. 1-02-21064-0-0 (Tenth Avenue Bridge, Evacuation Tunnel, Catenary Removal, Eleventh Avenue Viaduct, North Access Tunnel, MABSTOA Bus Garage).
 - B. Drawings from 1982 West Side Storage Yard Complex Contract No. 1-02-21064-0-0 (Buildings).
 - C. Example of LIRR overbuild clearance requirements.
 - D. MTA 7 Line related schematics.
 - E. LIRR Expansion Study documents (relating to additional tracks north of existing yard).
2. A prospective Proposer has requested a copy of MTA's contract with New York Power Authority for the supply of electric power. A copy of the current contract will be made available for review at the MTA, 347 Madison Avenue, New York, NY. An appointment for such review can be made by contacting Roco Krsulic, the Project Manager, at 212-878-7368. It should be noted that a new supply contract with NYPA is in the final stages of negotiation and has not been finalized, executed and delivered. Once executed and delivered, the new contract

will supersede the existing contract. Until that new contract is executed and delivered by the parties it will not be made available to prospective Proposers.

Addendum No. 3
REQUEST FOR PROPOSALS

For the sale or lease of real property interests above
John D. Caemmerer West Side Yard

TO ALL PROSPECTIVE PROPOSERS:

You are hereby notified of the following:

1. There are references to (i) a non-refundable down payment at Section V.B.1.a.1 of the RFP (p.13) , (ii) a non-refundable prepayment of rent at Section V.B.1.b.4 of the RFP (p.14), and (iii) a down payment at Section VI.C.b (p.20) of the RFP. The provisions of Sections V.B.1.a.1 and V.B.1.b.4 refer to an amount which shall not be less than ten percent (10%) of the Purchase Price (in the case of Section V.B.1.a.1) and not be less than ten percent (10%) of rent (in the case of Section V.B.1.b.4). Section VI.C.b refers to an amount of \$20 million in the form of cash or an irrevocable letter of credit.

MTA hereby clarifies any apparent inconsistency among these provisions by stating that if the Disposition is by sale, the Selected Developer shall be obligated to make, upon execution of the Disposition documents, a non-refundable down payment in cash of an amount which shall be the greater of ten percent (10%) of the Purchase Price or \$20,000,000. If the disposition is by lease, the Selected Developer shall be obligated to make, upon execution of the Disposition documents, a non-refundable pre-payment of rent in cash in an amount which shall be the greater of ten percent (10%) of the present value of the guaranteed base rent (discounted at six percent (6%) per annum) or \$20,000,000.

Addendum No. 4

REQUEST FOR PROPOSALS

For the sale or lease of real property interests above
John D. Caemmerer West Side Yard

TO ALL PROSPECTIVE PROPOSERS:

You are hereby notified of the following:

1. A prospective Proposer has requested the following information:
 - a. Peak daily MTA electricity demand, in megawatts (MW);
 - b. Average daily MTA power demand, in MW; and
 - c. Total annual MTA expenditure for electricity (including transmission and "wheeling" charges, if any) for the most recent three years ended.

The following information made available to MTA by the New York Power Authority for 2004, 2003 and 2002 provides most of the requested information. MTA does not have aggregate information relating to peak daily demand.

New York Power Authority

MTA Agency Information

Annual Production/Delivery, As Billed, 2004 as of 1/05

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	Average Monthly KW	KW	KWH	Production \$	Prod \$ Rate/kwh (cents)	Delivery \$	Delv \$ Rate/kwh (cents)	TOTAL \$	Total \$ Rate/kwh
Metropolitan Transportation Authority									
LONG ISLAND RAILROAD	61,078	732,930	259,994,042	\$15,624,212	6.01	\$6,946,123	2.67	\$22,570,335	8.68
MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY	5,629	67,584	38,829,350	\$1,940,434	5.00	\$974,252	2.51	\$2,914,686	7.51
METRO - NORTH COMMUTER RAILROAD COMPANY	74,087	889,048	318,596,480	\$18,931,677	5.94	\$8,347,412	2.62	\$27,279,090	8.56
METROPOLITAN TRANSP. AUTH. - 2 BROADWAY METROPOLITAN TRANSPORTATION AUTH. HEADQUARTERS	4,931 670	59,172 8,036	28,648,800 3,365,200	\$1,497,191 \$189,724	5.23 5.64	\$1,001,764 \$114,605	3.50 3.41	\$2,496,955 \$304,329	8.72 9.04
MTACC EAST SIDE ACCESS NEW YORK CITY TRANSIT AUTHORITY - MISCELLANEOUS	6 83,243	46 998,918	3,273 403,357,227	\$229 \$22,992,127	6.99 5.70	\$410 \$15,500,214	12.51 3.84	\$638 \$38,492,341	19.50 9.54
NEW YORK CITY TRANSIT AUTHORITY - SUBSTATIONS STATEN ISLAND RAPID TRANSIT OPERATING AUTHORITY	349,083 5,581	4,188,997 66,974	1,730,976,865 23,837,375	\$97,434,039 \$1,445,965	5.63 6.07	\$13,038,574 \$719,129	0.75 3.02	\$110,472,614 \$2,165,094	6.38 9.08
TRIBORO BRIDGE AND TUNNEL AUTHORITY	9,249	110,983	49,944,277	\$2,640,328	5.29	\$1,455,303	2.91	\$4,095,631	8.20
Group Totals:	593,557	7,122,668	2,857,552,869	\$162,695,926	5.69	\$46,097,767	1.68	\$210,793,713	7.38

New York Power Authority

MTA Agency Information

Annual Production/Delivery, As Billed, 2003 as of 1/05

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	Average Monthly KW	KW	KWH	Production \$	Prod \$ Rate/kwh (cents)	Delivery \$	Deliv \$ Rate/kwh (cents)	TOTAL \$	Total \$ Rate/kwh (cents)
Metropolitan Transportation Authority									
LONG ISLAND RAILROAD	60,225	722,705	258,687,182	\$14,733,218	5.70	\$6,829,500	2.64	\$21,562,717	8.34
MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY	5,128	61,540	37,078,424	\$1,740,197	4.69	\$895,620	2.42	\$2,635,817	7.11
METRO - NORTH COMMUTER RAILROAD COMPANY	75,925	911,103	305,274,185	\$17,635,173	5.78	\$8,565,669	2.81	\$26,200,842	8.58
METROPOLITAN TRANSP. AUTH. - 2 BROADWAY METROPOLITAN TRANSPORTATION AUTH. HEADQUARTERS	4,391 1,702	52,692 3,404	25,562,400 1,373,400	\$1,254,146 \$70,967	4.91 5.17	\$883,054 \$49,419	3.45 3.60	\$2,137,201 \$120,386	8.36 8.77
NEW YORK CITY TRANSIT AUTHORITY - MISCELLANEOUS	85,263	1,023,158	403,789,232	\$22,075,605	5.47	\$15,939,009	3.95	\$38,014,613	9.41
NEW YORK CITY TRANSIT AUTHORITY - SUBSTATIONS	349,318	4,191,819	1,709,925,731	\$91,363,762	5.34	\$13,207,020	0.77	\$104,570,782	6.12
STATEN ISLAND RAPID TRANSIT OPERATING AUTHORITY	5,199	62,386	23,041,893	\$1,308,345	5.68	\$665,452	2.89	\$1,973,797	8.57
TRIBORO BRIDGE AND TUNNEL AUTHORITY	8,565	102,777	47,420,335	\$2,365,964	4.99	\$1,400,151	2.95	\$3,766,114	7.94
Group Totals:	595,717	7,131,583	2,812,152,782	\$152,547,376	5.42	\$48,434,894	1.72	\$200,982,269	7.15

**New York Power
Authority**

MTA Agency Information

Annual Production/Delivery, As Billed, 2002 as of 1/05

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	Average Monthly KW	KW	KWH	Production \$	Prod \$ Rate/kwh (cents)	Delivery \$	Deliv \$ Rate/kwh (cents)	TOTAL \$	Total \$ Rate/kwh (cents)
Metropolitan Transportation Authority									
LONG ISLAND RAILROAD	55,922	671,059	245,105,554	\$13,876,018	5.66	\$6,298,935	2.57	\$20,174,952	8.23
MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY	5,241	62,889	38,519,072	\$1,794,694	4.66	\$917,072	2.38	\$2,711,766	7.04
METRO - NORTH COMMUTER RAILROAD COMPANY	71,024	852,286	278,377,080	\$16,248,771	5.84	\$7,958,417	2.86	\$24,207,188	8.70
METROPOLITAN TRANSP. AUTH. - 2 BROADWAY	4,456	53,472	25,670,400	\$1,274,396	4.96	\$897,150	3.49	\$2,171,546	8.46
NEW YORK CITY TRANSIT AUTHORITY - MISCELLANEOUS	83,692	1,004,302	401,956,557	\$21,866,659	5.44	\$15,371,138	3.82	\$37,237,797	9.26
NEW YORK CITY TRANSIT AUTHORITY - SUBSTATIONS STATEN ISLAND RAPID TRANSIT OPERATING AUTHORITY	346,623 5,137	4,159,481 61,649	1,754,082,654 23,865,348	\$92,604,919 \$1,332,304	5.28 5.58	\$12,925,744 \$644,247	0.74 2.70	\$105,530,663 \$1,976,551	6.02 8.28
TRIBORO BRIDGE AND TUNNEL AUTHORITY	8,887	106,645	47,452,694	\$2,393,909	5.04	\$1,450,892	3.06	\$3,844,801	8.10
Group Totals:	580,982	6,971,782	2,815,029,359	\$151,391,669	5.38	\$46,463,594	1.65	\$197,855,263	7.03

Addendum No. 5
REQUEST FOR PROPOSALS
For the sale or lease of real property interests above
John D. Caemmerer West Side Yard

TO ALL PROSPECTIVE PROPOSERS:

You are hereby notified of the following:

1. A prospective Proposer has requested the following information:
 - a. The billing for demand charges paid to NYPA during the most recent three year period under the MTA's current contract with NYPA.
 - b. The billing for any fuel adjustment, or other adjustment charges, paid to NYPA during the most recent three year period.

A: MTA does not maintain records of the aggregated billing for demand charges paid to NYPA by all of the MTA constituent operating agencies. The demand charge component is identified in the bills received by each MTA operating agency from NYPA.

There were no fuel or other adjustment charges paid to NYPA during 2002 and 2003. Commencing with the April 2004 invoices, NYPA's production rates to MTA increased 6.5% for the remainder of 2004. NYPA's production rates to MTA increased a further 20.6% for 2005. These increases were due to a number of factors including fuel. There were no other adjustments to rates during this period.

2. A prospective Proposer has requested (a) the amount and nature of daily liquidated damages of all or any type that will be assessed against the Selected Developer in case of interruptions to LIRR service or operation in excess of the amounts permitted by LIRR during Platform construction as well as during operations once the Platform is complete and (b) the aggregate limit or cap on such damages during Platform construction as well as during operations once the Platform is complete.

A: At this time, LIRR has not determined (a) how many yard tracks it will permit to be taken out of service at any one time and for how long, (b) the damages that will apply if the construction of a Platform or other overbuilt structures is delayed and causes yard tracks to be out of service longer than agreed to with the Selected Developer or (c) whether it will agree to an aggregate limit or cap associated with such damages. MTA and LIRR will be in a position to negotiate these matters with the Selected Developer once the proposed design, construction and phasing plans are known and can be analyzed in the context of LIRR's overall operational requirements.

3. A prospective Proposer has requested (a) a copy of Exhibit A-1 to the draft Declaration of Easements included in the RFP which Exhibit is identified as showing the space located in the southwest corner of the Land referenced in the definition of "Facility Airspace Parcel", and (b) that MTA explain why the Facility Airspace Parcel is defined such that this southwest corner space is separate from the airspace above the lower limiting plane.

A: The reference to Exhibit A-1 in the Declaration of Easements was bracketed as a placeholder in the event that the Selected Developer was going to require occupancy of space below the underside of the Platform limiting plane (and MTA was agreeable to such occupancy). The reference to the southwest corner is not relevant to all Proposers. It is referenced in the document because during discussions with one prospective Proposer prior to the initiation of the RFP process, that prospective Proposer had indicated that they would need occupancy of space below the underside of the Platform limiting plane in the southwest corner of the Site. No final understanding was reached regarding that occupancy and the reference in Exhibit C to the RFP was retained for convenience in brackets as a placeholder. Exhibit A-1 to Exhibit C was never prepared.

4. A prospective Proposer has requested information relating to the status of the current occupancies in the southwest corner of the Site.

A: Portions of the southwest corner of the Site are currently occupied by two tenants, the New York City Department of Sanitation (NYCDOS) and the Greyhound bus line. Each of these occupancies is on a month-to-month basis. NYCDOS pays no rent. Greyhound pays a month-to-month rent of \$22,500. These tenants will be vacated from the Site as part of the sale or lease of real property interests above the Site.