



Metropolitan Transportation Authority

State of New York

July 13, 2007

Re: Request for Proposals (“ERY RFP”) for Development at the Eastern Rail Yard Section of the LIRR West Side Yard

The Metropolitan Transportation Authority (“MTA”) is seeking proposals from qualified parties for the acquisition and/or long term leasing of air space and related real property interests for development at the Eastern Rail Yard (“ERY”) section of the Long Island Rail Road’s West Side Yard (“WSY”). The ERY (Block 702, Lots 1 and 50 and Block 704, Lots 1, 5 and 6) is a three block site comprising approximately 13.06 acres and is bordered by West 30th and 33rd Streets and 10th and 11th Avenues.

MTA will also be issuing a separate RFP (the “WRY RFP”) seeking proposals from qualified parties for the acquisition and/or long term leasing of air space and related real property interests for development at the Western Rail Yard (“WRY”) section of the Long Island Rail Road’s West Side Yard.

The primary objectives of the MTA are to maximize revenue for its capital financial plan and to minimize disruptions to Long Island Rail Road’s train operations at the WSY. The net proceeds received by MTA from its disposition of the property rights contemplated by the ERY RFP are an important source of funds that will be used by MTA to support its mission of providing safe, reliable, and convenient public transportation in a cost effective manner within the MTA’s twelve-county transportation district.

The information that will be made available in connection with the ERY RFP is divided into three categories of availability. Most of the information, including the ERY RFP itself, submittal forms, site information, zoning requirements, the Design Recommendations for the ERY, and a description of the property rights being sold or leased, is available to the public, free of charge, via the WSY RFP Public Website at <http://www.mtawsy.com>.

The second category of availability of information applies to that information that is confidential or security and/or safety sensitive and will only be available to registered proposers (“Registered Proposers”) who have submitted the required Application and Registration Agreement (the form of which is in the ERY RFP), which includes a confidentiality agreement, together with a non-refundable \$15,000 registration fee. A single registration is required to be able to submit proposals in response to both the ERY RFP and the WRY RFP. This second category of information will be made available to Registered Proposers via electronic format.

The third category of availability of information applies to that information that is **highly** confidential or security and/or safety sensitive. Because this material is deemed too sensitive to distribute, the relevant information can only be read by representatives of Registered Proposers

in a reading room at the MTA's midtown location. Registered Proposers are invited to call 212-878-7366 in order to arrange an appointment for access to the reading room.

All plans, specifications, schedules, and other material shall remain in the room at all times. No photocopies or reproductions of any kind shall be permitted.

MTA anticipates that there will be a pre-proposal conference for Registered Proposers. The date and time of such pre-proposal conference will be made available to all Registered Proposers.

Proposals are due on October 11, 2007. The detailed information relating to the submission requirements is set forth in the ERY RFP.

Proposals will only be accepted from Registered Proposers.

Roco Krsulic, Director of Real Estate at MTA, is the Project Manager for this disposition and the sole Designated Point of Contact for this solicitation for purposes of the MTA Vendor Code Of Ethics and the provisions of New York State Finance Law §§ 139-j and 139-k. His contact information is as follows:

Point of Contact: Roco Krsulic
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Reference No. RK ERY 0707

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Facsimile (212) 878-1055
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EXCEPT AS EXPRESSLY AUTHORIZED BY THE PROJECT MANAGER OR AS OTHERWISE EXPRESSLY AUTHORIZED BY THE MTA'S VENDOR CODE OF ETHICS AND NEW YORK STATE FINANCE LAW §§ 139-J AND 139-K, PROPOSERS MAY NOT CONTACT BOARD MEMBERS, OFFICIALS, EMPLOYEES OR CONSULTANTS OF MTA OR ANY OF ITS AFFILIATES AND SUBSIDIARIES, THE STATE OF NEW YORK, OR ANY OTHER GOVERNMENTAL ENTITY REGARDING THE ERY RFP AND THE RELATED DISPOSITION, OR SEND PROPOSALS TO ANY OF THEM. FAILURE TO OBSERVE THIS REQUIREMENT MAY RESULT IN THE PROPOSER'S DISQUALIFICATION FROM CONSIDERATION PURSUANT TO THE ERY RFP. DETAILS REGARDING THESE LIMITATIONS ARE SET FORTH IN THE ERY RFP.