




NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: The Chairperson and Members

From: Marc Jahr 
President

Date: June 4, 2012

Re: Resolution of Declaration of Intent
Metro East 99th Street
1922 2nd Avenue
New York, New York
Block 1671, Lot 1

Attached is a Resolution of Declaration of Intent (the "Resolution") for a proposed preservation development to be called Metro East 99th Street (the "Project"), located on 99th Street and Second Avenue in Manhattan which is currently under review by the Corporation. The developer, a single purpose entity to be formed by SKA Marin, has requested that the Members adopt the Resolution on the project's behalf. Should HDC utilize tax-exempt bond proceeds to provide financing for the proposed project, it will be operated in accordance with the restrictions of the Internal Revenue Code.

As indicated in the attached project summary sheet, the developer intends to construct one building with 176 low-income rental units located at 1922 2nd Avenue in Manhattan.

The Resolution is an official intent of the Corporation for tax code purposes which can enable certain expenditures incurred as early as 60 days prior to the date of such Resolution to qualify for tax-exempt bond financing. However, the Corporation's agreement to issue bonds may only be expressed in the Corporation's bond purchase agreement, which requires further authorization by the Members.

A fact sheet with a brief description of the project is attached (see "Exhibit A").

**RESOLUTION OF DECLARATION OF INTENT
OF THE NEW YORK CITY**

HOUSING DEVELOPMENT CORPORATION

WHEREAS, Article 12 of the Private Housing Finance law, constituting the New York City Housing Development Corporation Act (the "Act"), authorizes the New York City Housing Development Corporation (the "Corporation") to encourage the investment of private capital and provide dwelling accommodations for occupancy by persons and families for whom the ordinary operations of private enterprise cannot provide an adequate supply of safe, sanitary and affordable housing accommodations, or located in an area certified or designated as blighted; and

WHEREAS, the Corporation may be requested to provide all or part of the construction and/or permanent financing of a residential development to be called Metro East 99th Street, located at 1922 2nd Avenue in New York, NY (the "Project") as more fully described in Exhibit A. A portion of the Project is expected to provide dwelling accommodations for occupancy by persons and families for whom the ordinary operations of private enterprise cannot provide an adequate supply of safe, sanitary and affordable housing accommodations and/or provide housing accommodations in an area certified or designated as blighted; and

WHEREAS, the Corporation is desirous of assisting in the financing of such Project, to the extent permitted by law, if such assistance will either increase or assure the availability of dwelling accommodations for occupancy by persons and families for whom the ordinary operations of private enterprise cannot provide an adequate supply of safe, sanitary and affordable housing accommodations and/or provide housing accommodations in an area certified or designated as blighted.

NOW THEREFORE, the Corporation does hereby resolve as follows:

1. The Corporation may provide financing for the project and pursuant to that intention the staff of the Corporation is authorized to develop a program for financing of the Project to the extent permitted by law, and for such purpose may consult with the proposed mortgagor entity of the Project, and such others as may be deemed appropriate, subject in all events to the final approval of the terms of any financing by the Members of the Corporation.

2. The Corporation expects to finance the Project by the issuance of its obligations in an aggregate principal amount presently anticipated not to exceed \$33,000,000 all or a portion of which would be issued on a tax-exempt basis.

3. This resolution shall constitute official intent of the Corporation with respect to such Project for purpose of the Internal Revenue Code and otherwise.

4. This resolution shall be effective immediately.

“Exhibit A”

**Metro East 99th Street
New York, New York**

Project Location: 1922 2nd Avenue
New York, New York
Block 1671/Lot 1

HDC Program: LAMP Program

Project Description: This project will consist of the new construction of a 176 unit apartment building designed for low income, disabled, non-elderly and elderly persons currently housed in skilled nursing facilities owned by the New York City Health and Hospitals Corporation. Total project square footage is 194,053, inclusive of 3,232 SF of community facility space; additionally there will be 18 parking spaces.

Expected Total Units:

| | |
|----------|--------------|
| 82 | Studios |
| 93 | 1 BR |
| <u>1</u> | <u>2 BR</u> |
| 176 | Total Units* |

*Total Units are inclusive of one superintendent unit

Expected tax abatement type: Tax exemption passed through by the New York City Health and Hospitals Corporation

Estimated HDC First Mortgage: \$33,000,000

Developer: Metro East 99th Street LLC, a single purpose entity formed by SKA Marin.

Architect: Dattner Architects

General Contractor: Procida Realty & Construction Corporation