




Marc E. Jahr
President

MEMORANDUM

To: The Chairperson and Members

From: Marc Jahr
President 

Date: August 1, 2012

Re: Resolution of Declaration of Intent
Capitol Hall
166 West 87th Street
New York, NY
Block 1217; Lot 57

Attached is a Resolution of Declaration of Intent (the "Resolution") for a proposed development consisting of one site in the borough of Manhattan which is currently under review by the Corporation. The developer, Capitol Hall Preservation LP, an entity created by the principals of Goddard Riverside Community Center, 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 substantially renovate the occupied building to create a 100% low income rental housing development consisting of a total of 201 residential units located in the borough of 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 project summary 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 known as Capitol Hall located at 166 West 87th Street New York, NY (the "Project"). A portion of the Project is expected to provide dwelling accommodations for occupancy by persons 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 \$26,000,000 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”

**Capitol Hall
New York, New York**

Project Location: 166 West 87th Street
New York, NY
Block 1217 / Lot 57

HDC Program: LAMP Preservation

Project Description: This project will facilitate the acquisition and substantial renovation of an occupied supportive housing residence into 202 residential units located in the Upper Westside neighborhood of Manhattan.

Total Rental Units: 201

Apartment Distribution:	<u>Unit Size</u>	<u>No. of Units</u>
	Studio	201
	2 BR	<u>1</u>
	Total Units*	202

*Total Units are inclusive of one superintendent unit.

**Expected HDC Tax-Exempt Bond
Construction Financing Amount:** \$26,000,000

**Expected HDC Tax Exempt Bond
Permanent Financing Amount:** \$4,100,000

Estimated Total Development Cost: \$52,755,000

Expected Tax Abatement Type: 420c Tax Exemption

Developer: Capitol Hall Preservation, LP or another single purpose entity to be formed by the principals of Goddard Riverside Community Center.

Investor Limited Partner: Enterprise

Credit Enhancer: JP Morgan Chase

Architect: OCV Architects

General Contractor: Notias Construction, Inc. (proposed)