



MEMORANDUM

To: The Chairperson and Members

From: Eric Enderlin *E.E.*
President

Date: May 28, 2024

Re: Resolution of Declaration of Intent
Columbia Street Building C
498 Columbia Street
Brooklyn, NY 11231
Block: 579 Lot: 3

Attached is a Resolution of Declaration of Intent (the “Resolution”) for a proposed new construction project located at 498 Columbia Street, Brooklyn, New York, which is currently under review by the Corporation. The developer will be a single purpose entity to be formed and owned by Columbia SF LLC (whose principal is Joel Braver) and YL Red Hook 2023 LLC (whose principal is Yechiel Landau). The developer 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, 8- story building with 371 units, located at 498 Columbia Street in the Brooklyn.

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 adoption of such Resolution to qualify for reimbursement from the proceeds of tax-exempt bond financing. However, the Corporation’s agreement to issue bonds may only be authorized by further action by the Members.

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

**RESOLUTION OF DECLARATION OF INTENT TO REIMBURSE FROM THE
PROCEEDS OF TAX-EXEMPT REVENUE BONDS TO BE ISSUED BY 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 for units 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 Columbia Street Building C located at 498 Columbia Street, Brooklyn (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, and

WHEREAS, the Corporation, in the course of assisting the proposed mortgagor entity of the Project (the “Borrower”) in the financing of the Project expects that the Borrower has paid or may pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs of the Project; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Corporation to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing.

NOW THEREFORE, the Corporation does hereby resolve as follows:

1. The Corporation may provide tax-exempt and/or taxable 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 Borrower, 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 all or a portion of the costs of the Project by the issuance on one or more dates of its obligations in an aggregate principal amount presently anticipated not to exceed \$131,330,000 (the "Obligations"), all or a portion of which would be issued on a tax-exempt basis.

3. The Corporation hereby states its intention and reasonably expects to reimburse costs of the Project incurred (if at all) prior to the issuance of the Obligations with proceeds of the Obligations.

4. This Resolution shall constitute official intent of the Corporation with respect to such Project for purpose of the Internal Revenue Code and otherwise. This Resolution is being adopted by the Corporation for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations.

5. This Resolution shall be effective immediately.

“Exhibit A”

**Columbia Street Building C
498 Columbia Street
Brooklyn, NY**

Project Location: 498 Columbia Street
Brooklyn, New York 11231
Block 579, Lot 3

HDC Program: ELLA (NYC 15/15)

Project Description: The project will consist of the new construction of one 8-story building containing 371 residential rental units, 1,076 square feet of community facility space, and 7,158 square feet of parking space in the Red Hook neighborhood of the Brooklyn. 100% of the units will be affordable to households earning at or below 80% AMI and will include additional tiers of deeper affordability so that the total unit mix will reflect an average of units affordable to households earning at or below 60% AMI.

Expected Total Units:	<u>Unit Size</u>	<u>No. of Units</u>
	Studio	136
	1 Bedroom	125
	<u>2 Bedroom</u>	<u>110</u>
	Total Units*	371

* Total Units includes one superintendent unit.

Expected Tax Abatement type: 420(c)

Estimated Tax-Exempt Bonds: \$131,330,000

Developer: A single purpose entity to be formed by Columbia SF LLC (whose principal is: Joel Braver), and YL Red Hook 2023 LLC (whose principal is: Yechiel Landau).

Expected Architect: Aufgang Architects

Expected General Contractor: Express Builders