




NEW YORK CITY  
HOUSING DEVELOPMENT  
CORPORATION

## MEMORANDUM

**To:** The Chairperson and Members

**From:** Eric Enderlin   
President

**Date:** November 20, 2018

**Re:** Resolution of Declaration of Intent  
North Cove Terrace (Phase 1)  
3875 Ninth Avenue (current address)  
New York, New York  
Block 2188, part of Lot 1

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Attached is a Resolution of Declaration of Intent (the "Resolution") for a proposed new construction project in Manhattan, New York, which is currently under review by the Corporation. The developer will be a single purpose entity to be formed by affiliates of Joy Construction and MADDD Equities and 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 277 low- and middle- income rental units located in Manhattan. The developer intends to sub-divide the current block and lot in connection with the financing.

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 located 3875 Ninth Avenue in Manhattan (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 \$46,800,000 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.

This resolution shall be effective immediately.

**“Exhibit A”**

**North Cove Terrace (Phase 1)  
New York, NY**

**Project Location:** 3875 9th Avenue (current address)  
NY, NY 10034  
Block: 2188 Lot: part of 1 (to be sub-divided)

**HDC Program:** Mix & Match

**Project Description:** This project will consist of the new construction of 277 units in one 18 story building. Total project square footage is approximately 291,222 gross square feet.

**Expected Total Units:**

<u>Unit Size</u>	<u>No. of Units</u>
Studio	79
1 bedroom	136
2 bedroom	62
<u>3 Bedroom</u>	<u>0</u>
Total Units	277

**Expected Tax Abatement type:** Article XI and ICAP

**Estimated Tax Exempt Bonds:** \$46,800,000

**Developer:** A single purpose entity to be controlled by the principals of MADDD Equities (Francesca Madruga & Jorge Madruga) & Joy Construction (Amnon Shalhov).

**Architect:** Aufgang Architects

**General Contractor:** Joy Construction