



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

M E M O R A N D U M

To: The Chairperson and Members

From: Eric Enderlin *E.E.*
President

Date: November 22, 2022

Re: Resolution of Declaration of Intent
261 Walton Avenue
Bronx, New York 10451
Block: 2344 Lot: 60

Attached is a Resolution of Declaration of Intent (the “Resolution”) for a proposed new construction project located at 261 Walton Avenue, Bronx, New York, which is currently under review by the Corporation. The developer will be a single purpose entity to be formed and owned by Knickpoint Ventures LLC, whose principal is Matthew Sprayregen; JCAL Development Group, whose principals are Joshua Weissman and William Bollinger; and Touchstone Builders whose principals are Mark Soja, Mark Beida, and Sean Gann. 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, 13-story building with 195 units located at 261 Walton Avenue in the Bronx.

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 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
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 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 located at 261 Walton Avenue, Bronx (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 \$68,255,000 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”

**Mott Haven Gateway
261 Walton Avenue
Bronx, NY**

Project Location: 261 Walton Avenue
Bronx, New York 10451
Block 2344, Lot 60

HDC Program: ELLA

Project Description: The Project entails the new construction of one building containing 195 residential units, 19,000 square feet of ground-floor retail space, and sub-surface, covered parking of approximately 12 spaces in the Mott Haven neighborhood of the Bronx. At least 25% of the units will be affordable to households earning at or below 60% AMI and will include additional tiers of affordability.

Expected Total Units:	<u>Unit Size</u>	<u>No. of Units</u>
	Studio	47
	1 Bedroom	71
	2 Bedroom	57
	3 Bedrooms	20
	Total Units*	195

* Total Units includes one, 2-bedroom superintendent’s unit.

Expected Tax Abatement type: 420(c) – residential portion
ICAP – commercial portion

Estimated Tax-Exempt Bonds: \$68,255,000

Developer: A single purpose entity formed by Knickpoint Ventures LLC, whose principal is Matthew Sprayregen; JCAL Development Group, whose principals are Joshua Weissman and William Bollinger; and Touchstone Builders, whose principals are Mark Soja, Mark Beida, and Sean Gann.

Architect: Dattner Architects

General Contractor: Summit JV LLC - a partnership of JCAL Construction and Touchstone Builders.