



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: The Chairperson and Members

From: Eric Enderlin *E.E.*
President

Date: November 21, 2023

Re: Resolution of Declaration of Intent
Whitlock Point Phase 2
1154 East 165 Street
Bronx, NY 10459
Block: 2756 Lot: 90

Attached is a Resolution of Declaration of Intent (the “Resolution”) for a proposed new construction project located at 1154 East 165 Street, 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 Stagg Group LLC, whose principal is Mark Stagg. 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, 14-story building with 251 units, located at 1154 East 165 Street 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 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
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 known as Whitlock Point Phase 2 located at 1154 East 165 Street, 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; 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 \$90,340,000 (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”

**Whitlock Point Phase 2
Bronx, NY**

Project Location: 1154 East 165 Street

HDC Program: ELLA

Project Description: The Project will consist of the new construction of one 14-story building containing 251 residential rental units in the Foxhurst neighborhood of the Bronx. One hundred percent (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. The total project square footage is approximately 246,000 gross square feet, inclusive of approximately 9,167 square feet of commercial space and 22,000 square feet of parking.

| Expected Total Units: | <u>Unit Size</u> | <u>No. of Units</u> |
|------------------------------|------------------|---------------------|
| | Studio | 62 |
| | 1 Bedroom | 102 |
| | 2 Bedroom | 74 |
| | 3 Bedroom | 13 |
| | Total Units* | 251 |

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

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

Estimated Tax-Exempt Bonds: \$90,340,000

Developer: A single purpose entity to be formed and owned by Stagg Group LLC, whose principal is Mark Stagg.

Architect: Newman Design Architects

General Contractor: BE Bronx Builders