

HFA New York City Housing Development Corporation  
 Name of Entry Susan's Court



**Official Entry Form**  
 (Complete one for each entry.)

Name of Entry Susan's Court at 754 Manhattan Avenue  
 HFA New York City Housing Development Corporation  
 Contact Cate Marshall  
 Phone (212) 227-9496 Fax (212) 227-6845  
 Email cmarshall@nyc.hdc.com

Check only one subcategory.

Homeownership	Rental Housing	Special Needs Housing	Management Innovation	Communications	Special Achievement
<input type="checkbox"/> Empowering New Buyers	<input checked="" type="checkbox"/> Multifamily Management	<input type="checkbox"/> Combating Homelessness	<input type="checkbox"/> Financial	<input type="checkbox"/> Annual Report	<input type="checkbox"/> Special Achievement
<input type="checkbox"/> Home Improvement and Rehabilitation	<input type="checkbox"/> Preservation and Rehabilitation	<input type="checkbox"/> Housing for Persons With Special Needs	<input type="checkbox"/> Human Resources	<input type="checkbox"/> Promotional Materials and Newsletters	
<input type="checkbox"/> Encouraging New Production	<input checked="" type="checkbox"/> Encouraging New Production		<input type="checkbox"/> Operations	<input type="checkbox"/> Creative Media	
			<input type="checkbox"/> Technology		

**Entry Description:** Complete one Official Entry Form for each entry. Each Official Entry Form must be accompanied by an Entry Description. The Entry Description may not exceed three single-spaced, typed pages in length, text only, with one-inch margins and 11-point minimum font. Please provide agency and entry name on each page. Any hardcopy submissions must be double-sided.

The Entry Description should provide a brief description of the program, project, or practice; when and why it was undertaken; what it has accomplished; and why it is meritorious. In addition, the Entry Description should demonstrate how the entry is responsive to the judging criteria provided in the 2009 Annual Awards Categories and Criteria.

*See Call for Entries for program rules and guidelines.*

**NCSHA 2009 Annual Awards**  
**Subcategory: Rental Housing—Encouraging New Production**  
**HFA: New York City Housing Development Corporation**  
**Name of Entry: Susan's Court/454 Manhattan Avenue**

Susan's Court, located at 454 Manhattan Avenue in Central Harlem, is a 125-unit rental building constructed through the New York City Housing Development Corporation's (HDC) Mixed Income Program.

**THE MIXED-INCOME PROGRAM:**

HDC's award-winning Mixed-Income Program, also known as the 50/30/20 program, was created in response to the need to offer a range of affordable housing opportunities in one project. Through the program, 20% of the apartments in a multi-family rental building are restricted to low-income tenants, 30% are reserved for middle-income tenants and the remaining are rented at market rates. This structure, the only program of its kind in New York City, provides a deeper level of affordability across different economic levels. HDC uses the proceeds from the sale of tax-exempt bonds to make first position mortgages and applies its corporate reserves to make 1% second mortgage loans. Typically, apartments created through the program are reserved for households earning from of \$21,500 for an individual, up to \$134,000 (175% Area Median Income or AMI) for a family of four. HDC issued \$24 million in tax-exempt bonds to finance Susan's Court, and \$4,940,000 of corporate reserves.

**BACKGROUND—BECOMING SUSAN'S COURT:**

The development is named Susan's Court after the late Susan Ponce de Leon, Assistant Commissioner for Development at the NYC Department of Housing Preservation and

Development (HPD), who died of cancer in 2006. To honor her great dedication and innovative approach to problem solving, the developer, Artimus Constuction, named the last project she led in her honor. Ms. Ponce de Leon exemplified the spirit of public service, once saying that she could never negotiate as hard for herself as she did on behalf of HPD. With over twenty years of service, Susan was a counselor and a teacher in the areas of real estate finance and affordable housing development. She undertook risks that were necessary to create change and improve the quality of life and services for families in need.

### **THE PROJECT:**

The development was originally planned for a vacant lot, on the corner of a block owned by the city. The redevelopment of the entire block front was impeded by two under-occupied city-owned buildings in the middle of the block. However, HDC and HPD—led by Ms. Ponce de Leon, took the project to a whole new level by arranging to relocate the buildings' tenants, freeing up the mid-block for redevelopment. Thus a corner lot that would have provided for 72 units of affordable housing became large enough for 125 units, and instead of a building next to a few tenement shells, there is now an entire revitalized block.

Located in Central Harlem, a once neglected and deteriorating neighborhood, Susan's Court graces a formerly blighted and mostly vacant city block with a building that is modern yet responsive to the area's architectural history. The exterior is done in multi-toned red brick with limestone accents, and it has a revolving door entrance and light-filled lobby, two community gardens, a children's playroom, and apartments that are spacious and well-appointed enough to command market rate rents. Other building amenities include a 24-hour doorman, convenient

onsite pay parking with 40 spaces, a fitness room, laundry room, balconies, private terraces, stainless steel appliances, a common roof top terrace, and a back yard.

With the completion of construction in February of 2009, the eight-story elevator apartment building is already home to New Yorkers of many income levels. In total, Susan's Court provides 24 studios, 33 one-bedrooms, 63 two-bedrooms, 4 three-bedrooms, and one two-bedroom unit for the Superintendent.

**BENEFITS:**

Financed through HDC's Mixed-Income Program, the Susan's Court project furthers HDC's mission of creating affordable housing, by providing 76 new affordable housing units, including 25 units at or below 50% the Area Median Income (AMI). Of the building's 125 units, twenty percent of the apartments are for low-income families, 40% are reserved for middle-income families and 40% will be rented at market rates, exceeding the affordability of the 50/30/20 Mixed-Income Program structure. It also acts to strengthen the neighborhood of Central Harlem, which within a three-block radius now includes eight other HDC financed affordable developments. Susan's Court is a testament to how new affordable housing construction can succeed in revitalizing a neighborhood, making a once blighted and underused area healthy and prosperous.

**Development Budget**

**454 Manhattan Avenue / Susan's Court**

Mixed Income-Var Rate w/Caps (125 units)

137,000

		Borrower	HDC
<b>Acquisition &amp; Refinancing Cost:</b>			
Acquisition	\$56,000 /du \$51 /sq ft	\$7,000,000 \$0	\$7,000,000 \$0
Total:		\$7,000,000	\$7,000,000
<b>Construction Cost:</b>			
Contractor Price	\$200,000 /du	\$26,095,238	\$25,000,000
Permits/Fees (filing costs)	1%	\$0	\$0
Contingency	5%	<u>\$1,304,762</u>	<u>\$1,250,000</u>
Total:	\$210,000 /du \$192 /sq ft	\$27,400,000	\$26,250,000
<b>Soft Cost:</b>			
Bank Commitment Fee	0.75% on LC	\$181,726	\$181,726
HDC fee	1.00% on HDC 1st	\$240,000	\$240,000
LOC fee	75% for 30 months	\$454,315	\$454,315
Bond Issuance Fees	1.50% on HDC 1st	\$360,000	\$360,000
HPD Commitment and Legal Fees		\$0	\$28,312
Borrower's Legal		\$150,000	\$150,000
Accounting		\$10,000	\$10,000
Lender's Legal		\$50,000	\$50,000
Architect Fees	\$6,720.00 per unit	\$840,000	\$840,000
Bank's Engineer		\$30,000	\$30,000
Appraisal/Environmental	Phase I and Phase II and remediation	\$120,000	\$120,000
Test Borings		\$15,000	\$15,000
Survey		\$10,000	\$10,000
Security		\$50,000	\$50,000
421a fee	0.40%	<u>\$156,393</u>	<u>\$156,393</u>
Subtotal		\$2,667,434	\$2,895,746
Construction Interest		\$1,800,000	\$1,862,015
Interest Rate Cap	For 1st 5 yrs 1.00%	\$300,000	\$300,000
Real Estate Taxes		\$62,500	\$62,500
Water & Sewer, permitting		\$75,000	\$75,000
Title Insurance	0.90% on 1st & 2nd	\$254,925	\$272,160
Mortgage Recording Tax	2.75% HPD Waived	\$0	\$0
Fire and Extended Liability		\$400,000	\$400,000
Permits & Consulting		\$75,000	\$75,000
Marketing & Lease up	Broker fees on market rate units included	\$350,000	\$350,000
Reserve for Carrying		\$0	\$0
Soft Cost Contingency	5%	<u>\$350,000</u>	<u>\$350,000</u>
Subtotal		\$3,667,425	\$3,746,675
Developer Fee		\$2,500,000	\$2,500,000
<b>Total Development Cost:</b>		<b>\$43,234,859</b>	<b>\$42,192,420</b>

**Construction Sources**

HDC First Mortgage		\$24,000,000	\$24,000,000	57%
HDC Second Mortgage	76 units at \$65,000/du	\$4,940,000	\$4,940,000	12%
Deferred Developer Fee		\$2,500,000	\$2,500,000	6%
Tax Credit Equity		\$0	\$0	0%
HPD 3rd Mtg PLP (Capital Funds)			\$1,300,000	
HPD 4th Mtg PLP (HOME)		\$1,762,332	\$1,762,332	4%
<b>Cash Equity</b>		<b>\$11,794,859</b>	<b>\$7,690,088</b>	<b>18%</b>
<b>Total Sources</b>		<b>\$44,997,191</b>	<b>\$42,192,420</b>	<b>97%</b>

**Permanent Sources**

HDC First Mortgage		57%	\$24,000,000	\$24,000,000	57%
HDC Second Mortgage	76 units at \$65,000/	12%	\$4,940,000	\$4,940,000	12%
Deferred Developer Fee		6%	\$2,500,000	\$2,500,000	6%
Tax Credit Equity		6%	\$2,402,506	\$2,402,506	6%
HPD 3rd Mtg PLP (Capital Funds)				\$1,300,000	3%
HPD 4th Mtg PLP (HOME)		4%	\$1,762,332	\$1,762,332	4%
<b>Cash Equity</b>		<b>13%</b>	<b>\$7,630,021</b>	<b>\$5,287,582</b>	<b>13%</b>
<b>Total Sources</b>		<b>97%</b>	<b>\$43,234,859</b>	<b>\$42,192,420</b>	<b>100%</b>

Borrower LC Amount: \$24,230,136.99

\$7,690,088

**454 Manhattan Avenue / Susan's Court  
Mixed Income-Var Rate w/Caps (125 units)**

**Unit Distribution**

Total Unit Distribution

	<u># of Units</u>	<u># of Rms/ DU</u>	<u># of Rooms</u>
Studio	24	2	48
One Bedroom	33	3	99
Two Bedroom	63	4	252
Three Bedroom	4	5	20
Total	124		419
Super's Units	1	4	4
Total Units	125		423

39%  
2&3 bdrms (in affordable mix)

**Project Income**

Commercial Income:

	<u># of Spaces</u>	<u>Monthly Rent</u>	<u>Annual Income</u>
Parking	40	\$265.00	\$127,200

	<u>Square feet</u>	<u>Annual Rent/sf</u>	<u>Annual Income</u>
Commercial Retail	0	\$0	\$0 \$0 \$0

Ancillary Income:

	<u># units</u>	<u>Per unit/per year</u>	
Laundry	125	\$200	\$25,000 per contract

**Total Ancillary & Commercial Income: \$152,200 5.37%**

Residential Income:

	<u># of Units</u>	<u>Average Monthly Rent</u>	<u>Total Monthly Rent</u>	<u>Total Annual Rent</u>	<u>Avg Sq Ft</u>	<u>Total Sq ft</u>	<u>Rent per Sq ft</u>
Studio @ Market	0	\$1,500	\$0	\$0	451	-	#DIV/0!
Studio @NewHop 130%	19	\$1,338	\$25,422	\$305,064	451	8,569	\$36
Studio @48%	3	\$551	\$1,653	\$19,836	451	1,353	\$15
Studio @38%	2	\$427	\$854	\$10,248	451	902	\$11
One Bedroom@Market	12	\$1,800	\$21,600	\$259,200	617	7,404	\$35
One Bedrm@NewHOP 130	14	\$1,680	\$23,520	\$282,240	617	8,638	\$33
One Bedroom@48%AMI	5	\$590	\$2,950	\$35,400	617	3,085	\$11
One Bedroom@38%AMI	2	\$457	\$914	\$10,968	617	1,234	\$9
Two Bedroom@Market	33	\$2,750	\$90,750	\$1,089,000	1,018	33,594	\$32
Two Bedrm@NewHOP 130	17	\$2,019	\$34,323	\$411,876	1,018	17,306	\$24
Two Bedroom@48%AMI	13	\$711	\$9,243	\$110,916	1,018	13,234	\$8
Two Bedroom@38%AMI	0	\$552	\$0	\$0	1,018	-	#DIV/0!
Three Bedroom@Market	4	\$3,100	\$12,400	\$148,800	1,200	4,800	\$31
Total	124		\$223,629	\$2,683,548	+1Super	1,018	

Total Rental Income upon occupancy: **\$2,683,548**

TOTAL: 101,137

Total Project Income: **\$2,635,748**

03/21/07

press release

# HDC Provides \$56.4 Million for Affordable Housing In Harlem and the Bronx

**281 Apartments to Be Rented at Low, Middle and Market Rates**

**New York, N.Y., May 2, 2007**

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The New York City Housing Development Corp. today approved \$56.4 million in financing for the construction of two affordable apartment buildings in the Bronx and one in Harlem. Together, these three buildings will contain 281 apartments.

The building in Harlem will be the Corporation's seventh building built under its new Mixed-Income Program, which provides innovative financing to allow buildings to house low and middle income families to live together under the same roof along with families paying market rate rents. This building, at 454 Manhattan Avenue between 119th and 120th Streets, will contain 125 apartments serving New Yorkers of many income levels. Twenty percent of the apartments will be reserved for low-income families, 40% will be reserved for middle-income families and 40% will be rented at market rates.

"It is gratifying to set up a program and see it continue to have an impact on so many hard-working families throughout the city," said Emily A. Youssouf, President of HDC. "The Mixed-Income Program shows how innovative thinking on financing can have a big impact on the neighborhoods of the city."

The building will be named Susan's Court after Susan Ponce de Leon, a twenty year staff member of the New York City Department of Housing Preservation and Development (HPD) who died in 2006.

In the Bronx, HDC approved financing for two buildings that will be built under its Low-Income Affordable Marketplace Program, known as LAMP. The first building will contain 98 apartments for families earning less than \$42,540 per year for a family of four or \$29,760 for a single-person household. It will be located at the corner of East 170th Street and Fulton Avenue, just south of Crotona Park.

The second building will be located at 3051 Third Avenue, between 156th and 157th Streets in Melrose, and will contain 58 affordable apartments for low-income families.

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Department of  
Housing Preservation  
& Development

THE  
Five Borough  
Economic Opportunity  
PLAN

RAFAEL E. CESTERO, COMMISSIONER • [NYC.GOV/HPD](http://NYC.GOV/HPD)

FOR IMMEDIATE RELEASE

Press Release # 12-09

July 22, 2009

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## HPD, HDC and Artimus Construction Unveil 125-Unit Mixed Income Housing Development in the Central Harlem

*Susan's Court, Comprised of 75 Affordable and 50 Market Rate Units, Named in Honor of the Late Susan Ponce de Leon*

July 22, Manhattan – New York City Department of Housing Preservation and Development (HPD) Commissioner Rafael Cestero together with New York City Housing Development Corporation (HDC) President Marc Jahr, Artimus Construction Principal Robert Ezrapour and Citi National Director, North America Community Relations, Gina Doynow today announced the completion of Susan's Court, a 125-unit mixed-income housing development in Central Harlem. Developed under HPD's Cornerstone Program – a multifamily new construction initiative designed to facilitate the creation of mixed income housing on City-owned land – Susan's Court was also financed by HDC's New Housing Opportunity Program (New HOP), one of a number of programs created to fund the construction and rehabilitation of affordable housing. The creation of affordable housing in neighborhoods across New York City is part of the City's *Five Borough Economic Opportunity Plan* to create jobs for New Yorkers today, implement a vision for long-term economic growth and build affordable, attractive neighborhoods.

Located at 454 Manhattan Avenue, Susan's Court is situated in one of Manhattan's most historic neighborhoods, just steps away from Morningside Park, Columbia University and Barnard University, and mere minutes from Central Park. The 8-story elevator apartment building offers 125 rental units and 40 underground parking spaces. It includes 24 studios, 33 one-bedrooms, 63 two-bedrooms, 4 three-bedrooms, and 1 two-bedroom unit for the superintendent. Fifty middle-income units have been set aside for families at or below 250 percent of the HUD Income Limits (\$192,000 for a family of four or \$134,000 for an individual), 21 low-income units at or below 50 percent of the HUD Income Limits (\$38,400 for a family of four or \$26,900 for an individual), 4 low-income units at or below 40 percent of the HUD Income Limits (\$30,750 for a family of four or \$21,500 for an individual) and 49 market-rate units. Susan's Court amenities include on-site laundry and tenant storage facilities, a fitness center and a private courtyard with wonderfully landscaped gardens and beautiful wood decks. The site was developed by Artimus Construction LLC, a community developer with 30 years of experience and very active in Central Harlem.

"Together with HDC, Artimus Construction and Citi, we have built a development that exemplifies the continued transformation underway in Central Harlem," said HPD Commissioner Cestero. "Through collaborations like these, the City will continue to channel its resolve to build affordable housing. In so doing, our aim is to strengthen and stabilize New York City neighborhoods, and Susan's Court indicates the imminent materialization of this long-term vision."

"HDC is always proud to play a role in helping to develop the kind of quality affordable housing that is being offered here at Susan's Court," said Marc Jahr. "What's more, we are particularly pleased to have been a part of creating such a fitting tribute to Susan Ponce de Leon, a woman who gave so much of herself trying to help others."



Susan's Court was named in honor of the late Susan Ponce de Leon, a twenty-year staff member and Assistant Commissioner of the HPD who died in 2006. Mrs. Ponce de Leon dedicated herself to the project from its earliest stages. She exemplified the spirit of public service, once saying that she could never negotiate as hard for herself as she did on behalf of the HPD. In the affordable housing community, which continues to struggle with the loss of Susan, a scholarship in her memory was founded to support and mentor promising young people who possess the virtues Susan embodied: commitment to public service, leadership, energy, ingenuity and compassion. The scholarship is offered to a graduate student pursuing an MPA at Baruch College's School of Public Affairs to allow the recipient to pursue graduate level studies in nonprofit administration, policy analysis and evaluation, and public management. A plaque honoring Susan was also unveiled at the ceremony.

"The unveiling of this plaque at Susan's Court commends the efforts of Susan Ponce de Leon, for the affordable housing opportunities that she was influential in creating," said New York State Senator Bill Perkins.

Susan's Court was developed at a total cost of \$42,192,420. This includes \$24M in tax exempt bonds and proceeds provided by HDC. Citi provided the credit-enhancement necessary to support the bonds. HDC also provided \$4.94M in the form of a second mortgage. HPD contributed \$1.3M in Capital funds, as well as \$1.76 in HOME funds.

"We are proud to be part of this important project in Harlem and remain an active member of our local communities throughout the country. Despite challenging times, Citi is committed to helping families and revitalizing neighborhoods. We thank our community partners for their vision and dedication and we look forward to continuing our work together," said Gina Doynow, National Director, Citi's North America Community Relations.

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#### **NYC Department of Housing Preservation and Development (HPD)**

*HPD's mission is to promote quality housing and viable neighborhoods for New Yorkers. It is the nation's largest municipal housing preservation and development agency. Responsible for implementing Mayor Bloomberg's New Housing Marketplace Plan to build and preserve 165,000 units of affordable housing. HPD also actively promotes the preservation of affordable housing through education, outreach, loan programs and enforcement of housing quality standards. For more information, visit [www.nyc.gov/hpd](http://www.nyc.gov/hpd).*

#### **NYC Department of Housing Development Corporation (HDC)**

*The New York City Housing Development Corporation (HDC) provides a variety of financing programs for the creation and preservation of multi-family affordable housing throughout the five boroughs of New York City. Our programs are designed to meet the wide-range of affordable housing needs of the City's economically diverse population.*

#### **Artimus Construction LLP**

*Since our founding in 1979, Artimus has continuously expanded services to respond to our clients' needs. We build quality, on schedule, and within budget. Artimus maintains a corporate office in New York and several field offices with a staff of more than 70 employees. We are one of New York's most successful and driven development real estate companies. Artimus' growth stems from positive interaction with the community; we seek to engage and promote the neighborhoods, working with local not-for-profit and governmental institutions, city agencies, subcontractors and community groups. Artimus has succeeded in providing strong profits for investors and better housing and communities for its residents. Over our 30 year history, Artimus has fostered relationships employing local contractors and contributing to the local trade schools. Artimus has constructed over two million square feet in new mid-rise and high-rise projects that include residential, commercial, retail, and mixed used properties. We are committed to ensuring that each project respects the quality-of-life issues of its neighbors during and after construction.*

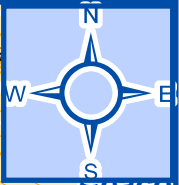
**Citi**

*Citi, the leading global financial services company, has approximately 200 million customer accounts and does business in more than 140 countries. Through its two operating units, Citicorp and Citi Holdings, Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Additional information may be found at [www.citigroup.com](http://www.citigroup.com) or [www.citi.com](http://www.citi.com) <<http://www.citi.com>>.*

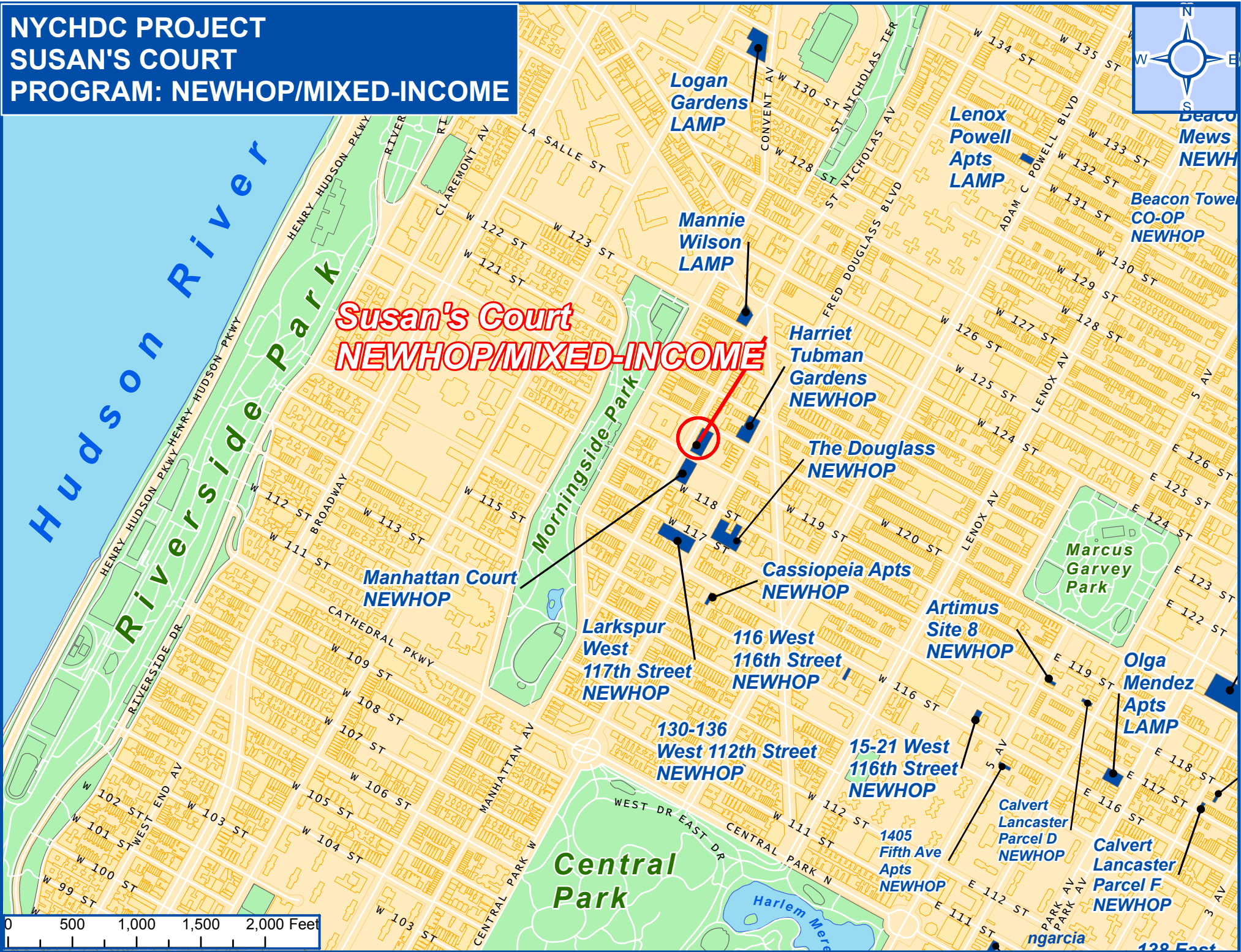
**New York City's Five Borough Economic Opportunity Plan**

*The Five Borough Economic Opportunity Plan is a comprehensive strategy to bring New York City through the current economic downturn as fast as possible. It focuses on three major areas: creating jobs for New Yorkers today, implementing a long-term vision for growing the city's economy, and building affordable, attractive neighborhoods in every borough. Taken together, the initiatives that the City has launched to achieve these goals will generate thousands of jobs and put New York City on a path to economic recovery and growth.*

**NYCHDC PROJECT  
SUSAN'S COURT  
PROGRAM: NEWHOP/MIXED-INCOME**

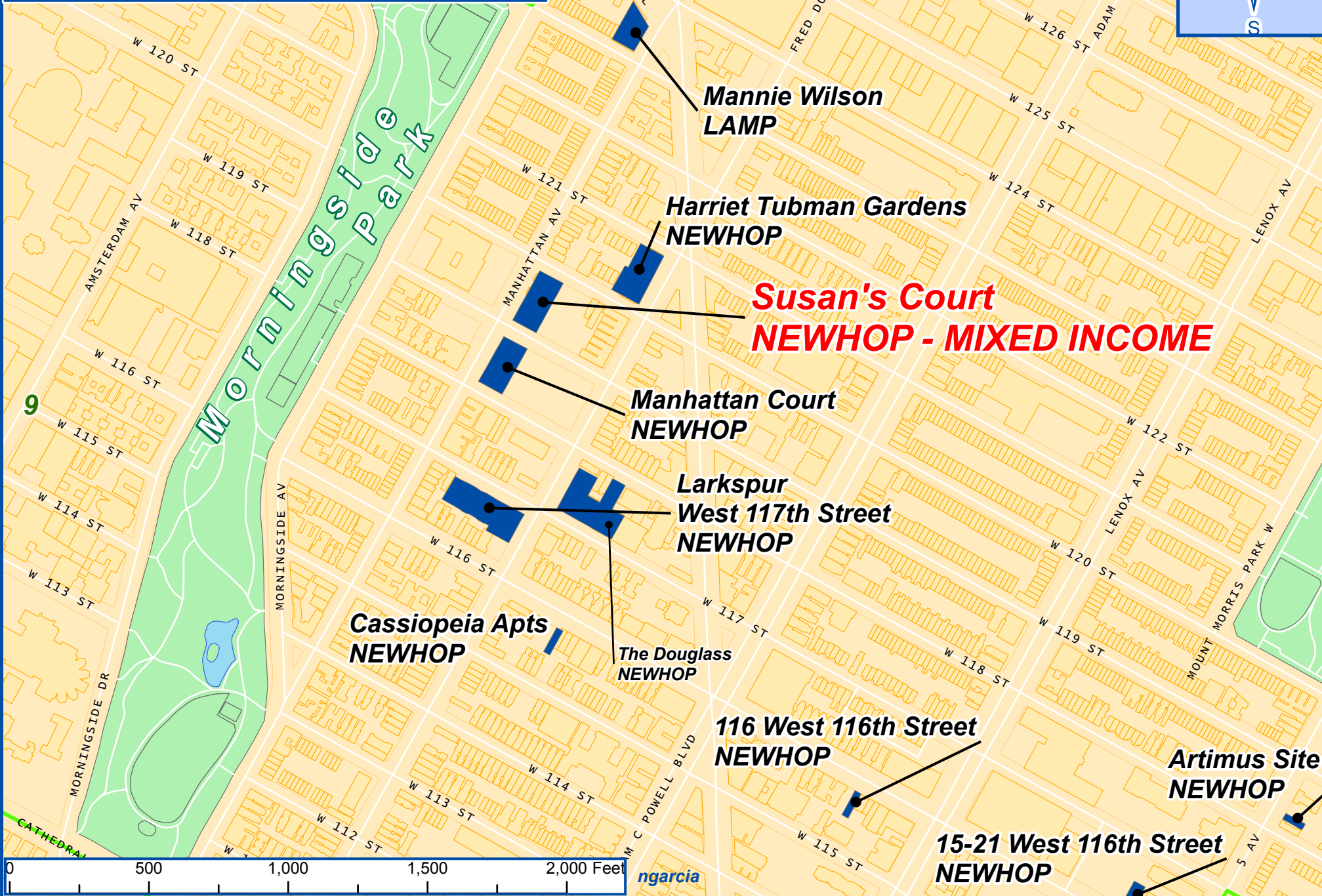
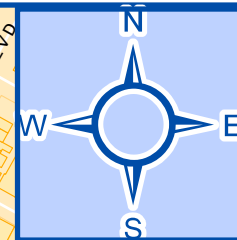


**Susan's Court  
NEWHOP/MIXED-INCOME**





**NYCHDC PROJECT  
SUSAN'S COURT  
PROGRAM: NEWHOP/MIXED INCOME**







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