

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.