



## **Arker Construction finalizes financing for affordable housing development - \$34m project**

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The Arker Companies has completed financing on a 118-unit development that will include 30 units set aside as supportive housing for the mentally disabled.

Construction of the development - located at 2271 Washington Ave. in the borough's Fordham section - is expected to commence in January and be completed in 2009.

All 118 units are reserved for low and moderate-income households earning 60% or less of the area's median income. The 30 set-aside units will provide supportive housing for individuals with mental disabilities. Supportive housing is permanent affordable housing for individuals with special needs. Tenants are rent stabilized and pay rent. Residents are able to live independently while having supports to assist them in reaching their educational, employment and health goals.

The \$34 million project is receiving support from a number of public-sector and private-sector sources: NYS's Housing Finance Agency (HFA) is providing \$18.2 million in tax-exempt bond financing and is issuing 4% low-income housing tax credits. The state's Office of Mental Health is taking leases on 30 units. The N.Y.C. Department of Housing Preservation and Development is providing financial assistance by issuing 421a negotiable certificates and through other financial instruments. Centerline Capital Group is providing \$11.805 million through the sale of the HFA tax credits. Finally, Bank of America is assisting with a letter of credit in the amount of \$18.374 million.

"This development received indispensable support and cooperation from the NYS HFA, the NYS Office of Mental Health, and the N.Y.C. Department of Housing Preservation and Development," said Alex Arker, a principal with The Arker Companies. "Public-private partnership is the driver that propels the delivery of first-rate affordable housing for hard-working New Yorkers and their families. We are proud to be part of this winning formula."

In his December 11 presentation on affordable housing before the New York Housing Conference in N.Y.C., governor Eliot Spitzer singled out 2271 Washington Ave. as a model for future state-assisted development.

"We commend and congratulate The Arker Companies for initiating this project," said Michael Hogan, PhD, commissioner of OMH. "It is innovative, as the first-ever housing project in New York that is a collaboration between the private sector, the HFA, and the Office of Mental Health. We especially appreciate the leadership of Priscilla Almodovar at HFA in advancing this project. We are even more appreciative of the design of this effort."

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