



## **Signature, GTIS, MBD and Monadnock break ground on development; \$81.948 million project to be designed by Dattner Architects**

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NYS Homes & Community Renewal (HCR) commissioner/CEO Darryl Towns, NYC Dept. of Housing Preservation and Development (HPD) commissioner RuthAnne Visnaukas and NYC Housing Development Corp. (HDC) acting president and general counsel Richard Froehlich joined Signature Urban Properties, GTIS Partners, MBD Housing and Monadnock Construction, Inc. to break ground on the initial phase of construction on the first 237 affordable apartments of Compass Residences Development, a planned 1,300 unit affordable housing development which will transform a stretch of industrial blocks into a residential neighborhood. The groundbreaking was held at the corner of 172nd St. and Boone Ave., and was attended by several local elected officials and community leaders.

Compass Residences is part of NYS' investment in affordable housing, using both low-income housing tax credits and a Homes for Working Families loan from the Housing Trust Fund.

Governor Andrew Cuomo has made the creation of affordable housing a priority of his administration, with a billion-dollar investment in affordable housing under the House New York program, to create thousands of new units over the next five years. House New York will also preserve more than 8,600 Mitchell-Lama units, extending affordability for at least 40 more years. In the newly announced budget, the governor is expanding House New York with an additional \$100 million investment to restore and build 3,000 more affordable units. House New York continues to build on the successes of the governor's unprecedented efforts to protect more than one million rent-regulated tenants, including the greatest strengthening of the state's rent laws in decades.

"Compass Residences is a game-changer - with workforce housing, low-income housing and retail space to grow jobs and revitalize the Bronx," said Towns. "Under the Governor's leadership, the state continues to focus on transformative projects that succeed for the community and for the state. I congratulate our public and private partners for a project that creates a community within a community - providing jobs and quality affordable housing for hundreds of New Yorkers."

"Today we celebrate the beginning of a new community here in Crotona Park East in the Bronx, which will bring safe and affordable housing to an area that has seen more than its fair share of hardships. The 237 affordable apartments in these two buildings will be the first of ten planned buildings for this neighborhood. Once complete, the larger development is expected include over 1,300 units of affordable housing," said Visnaukas. "Making sure New Yorkers have safe places to live is HPD's central mission, and this project is emblematic of that goal. This development will create a mixed-use, mixed-income community for New Yorkers in need. None of this would be possible without our partners. I want to thank the development team from GTIS Partners, Signature Properties, Monadnock Construction and MDB Housing."

"The vibrant residential community that will take shape here will provide opportunity for this generation and the next to have a great place to live and access to recreational facilities. I am tremendously excited to be part of this and very proud of this development as a New Yorker," said Froehlich. "I thank the State of New York for providing the bonding authority to us - without that, the HDC investment of over \$33.2 million in construction financing and \$5.4 million in permanent financing through tax-exempt bonds would not be possible. I also want to thank HPD, Monadnock Development, Signature Urban Properties, MBD Community Housing Corp., GTIS Partners and all of the project partners who made this development plan possible."

"I am excited with the groundbreaking of the Compass Residences Development. This new development project will provide the people of this neighborhood with affordable housing and job opportunities," said Bronx Borough president Ruben Diaz Jr. "I thank Signature Urban Properties, GTIS Partners, MBD Housing and Monadnock Construction, Inc. for their hard work in putting this project together and for their dedication to the betterment of the Bronx."

"I am excited about the project getting off the ground, and I'm delighted about the improvement it will bring to the area, which for too long has suffered from blight," said councilwoman Maria Del Carmen Arroyo. "I am looking forward to the many benefits it will bring to the community."

The multi-phase Compass Residences Development is being constructed on approximately five acres along West Farms Rd. overlooking the Sheridan Expressway stretching through the neighborhoods of Crotona Park East and West Farms in the Bronx. The development area, a long under-utilized industrial region, was rezoned in order to spur the transformation of the neighborhood and allow this mixed-used development to move forward. When all phases of construction are complete Compass Residences will be comprised of 10 mixed-use buildings and will contain over 1,300 affordable residential units. The development will also create approximately 46,000 s/f of new retail space - adding opportunity for economic growth and the addition of goods and services to the neighborhood. The location provides convenient access to the 2, 5 and 6 subway lines as well as access to multiple bus routes.

"After having spent many years working with the community, elected officials, and the city to get to this point, it's incredibly exciting to finally break ground," said Gifford Miller, a principal of Signature Urban Properties. "We know that these two buildings will not only provide affordable housing to 237 families that need it, but will start the process of transforming these derelict industrial blocks into a beautiful addition to the surrounding neighborhood. This project dates back nearly seven years, and we are excited to start construction on what will be a great step forward for The Bronx and New York City."

"We are thrilled to be part of an important transformational project like Compass Residences Development," said Robert Rediker, managing director and head of asset management at GTIS Partners. "It is a wonderful opportunity to have a hand shaping an underutilized industrial location into a vibrant residential community that people will be proud to call home."

"MBD Community Housing Corp. has been a catalyst for change and improvement in the Mid-Bronx community since 1974," said Derrick Lovett, CEO of MBD, a local nonprofit community development and management organization. "There is a renaissance happening in the Bronx, and we are proud to be a part of this dynamic development team, making its first digs in the ground breaking for this project that will undoubtedly have a positive and lasting impact in this neighborhood."

"We are not just constructing places for people to live, we are creating a community to enhance the quality of life in the area," said Nicholas Lembo, principal at Monadnock Construction, Inc. "Since

the beginning, our goal has been to turn around a derelict industrial zone by developing affordable workforce housing and provide a setting for a vibrant residential and mixed-use community."

The initial construction phase will include the development of two 15-story residential buildings which will provide a total of 237 apartments that will be affordable to hardworking New Yorkers at a range of incomes. Both buildings will share the address 1512 Boone Ave. The construction of these two buildings will also create a new landscaped public/open space connecting Boone Ave. and West Farms Rd.

The first building will have a total of 110 units including 7 studios, 47 one-bedroom, 51 two-bedroom, and 5 three-bedroom units. Twenty-seven units in this mixed-income building will be available to families earning up to 60% Area Median Income (AMI) or no more than \$51,540 for a family of four, 40 units will be available to families earning up to 80% AMI or no more than \$68,700 for a family of four, and 42 units will be available to families earning up to 90% AMI or no more than \$77,310 for a family of four. The remaining unit will be reserved for an on-site superintendent.

The second building will have a total of 127 units including 9 studios, 55 one-bedroom, 57 two-bedroom, and 6 three-bedroom units. All units in this low-income building will be available to families earning up to 60% Area Median Income (AMI) or no more than \$51,540 for a family of four. A portion of these units will be set aside for formerly homeless families. Area Median Income is calculated annually by the U.S. Dept. of Housing and Urban Development (HUD). The above figures are based on HUD's 2013 calculations.

The City requires that subsidized apartments be rented through an Open Lottery System to ensure fair and equitable distribution of housing to eligible applicants. Marketing of the apartments and the application process for the lottery typically begin when new construction is approximately 70% complete. For more information regarding the lottery process or if you would like to receive an e-mail when HPD updates its available apartment and home website listings for City-subsidized housing in the five boroughs, please visit the Apartment Seekers and Homebuyers pages at [www.nyc.gov](http://www.nyc.gov). Current housing lotteries are also available at [www.nyc.gov/housingconnect](http://www.nyc.gov/housingconnect). Applicants may submit either a paper application or an electronic application. Duplicate applications will be disqualified.

In addition to residential and commercial opportunities, the planned full development is expected to feature two landscaped public spaces and a playground, which will be designed to complement the existing nearby residential communities as well as the new Starlight Park and the Bronx River Greenway. Compass Residences has also set aside a portion of the future development area for the consideration of the New York City School Construction Authority to construct a new elementary school should school utilization levels warrant it.

The combined total development cost for both residential buildings in this first phase is \$81.948 million. The total development cost for the first building is \$33.4 million. HCR will provide \$4.8 million in State Low-Income Housing Tax Credits. HPD will provide \$1.5 million from the 421a Fund and approximately \$6.7 million in City Capital. HDC will provide \$9.3 million in subsidy from its corporate reserves and \$8.2 million in tax-exempt bonds. The total development cost for the second building is approximately \$48.535 million. HDC will provide \$25 million in tax-exempt bonds toward construction financing and \$5.4 million in tax-exempt bonds in permanent financing. HDC will also provide \$8.2 million in subsidy from its corporate reserves toward permanent financing. Additionally in permanent financing, HCR will provide a \$2 million loan from the Housing Trust Fund's Homes for Working Families program. HPD will provide \$4 million in 421a Funds and \$3.6 million in City Capital. The Bronx Borough president will provide \$1.3 million in Reso A funds and the city council

will provide \$2.4 million in Reso A funds. Wells Fargo will act as tax credit investor for both buildings. The New York State Energy Research and Development Authority (NYSERDA) will provide \$284,400.

The complete development will be designed by Dattner Architects. The first phase of the Compass Residences Development is expected to be completed in January 2016.

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