

DELORES RUBIN Chair

JESSE R. BODINE District Manager

January 12, 2017

Vicki Been Commissioner Dept. of Housing Preservation and Development 100 Gold Street New York, NY 10038

Re: 500-508 West 52nd Street Part of Site 9C on the Former Clinton Urban Renewal Area

Dear Commissioner Been,

At the November 9, 2016, meeting of Manhattan Community Board 4's (MCB4) Clinton/Hell's Kitchen Land Use Committee, Clinton Housing Development Company (CHDC) presented its updated plans for the development of senior housing for artists with support services and a not-for-profit community facility at 500 West 52nd Street (the "Site"), part of Site 9C on the Clinton Urban Renewal Area (CURA).

The Committee by a vote of 30 in favor, none opposed, and 3 present but not eligible*, recommended approval of continuing support for CHDC's development of the Site as senior housing for artists with support services and a not-for-profit community facility. CB4 has previously expressed its support for this project in letters dated January 4, 2006, December 11, 2007, and July 27, 2011.

In this latest iteration of the project, CHDC proposes to develop the Site as 46 units of senior housing for artists, including two management units, social service offices, a common laundry room, community room and kitchen, rooftop open space and three ground floor commercial spaces. The 508 wing of the Site will have a community facility space and offices dedicated to not-for-profit organizations.

History of 500 West 52nd Street

500 West 52nd Street is located on the southwest corner of West 52nd Street and Tenth Avenue. It is a six story commercial loft building that is currently occupied by artist studios and not-for-profit offices. Built between 1885 and 1897, 500 West 52nd Street was a piano factory owned by

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330 West 42nd Street, 26th floor New York, NY 10036 tel: 212-736-4536 fax: 212-947-9512 www.nyc.gov/mcb4 piano maker R.M. Bent & Co. It was one of 19 piano factories that existed in Hell's Kitchen and is a significant building in the industrial history of the West Side. The building also housed the Becker Brother player piano factory. In 1969, the site was condemned by the City of New York as part of the CURA and it has been owned by the City ever since.

Relocation

Relocation plans include permanent off-site relocation of the current commercial, not-for-profit and artist tenants. The largest tenant, LeNoble Lumber, executed a Memorandum of Understanding with the Department of Housing Preservation and Development (HPD) in April 2005 to relocate to a new building on Site 7 of the CURA. LeNoble Lumber was temporarily relocated off-site in 2008.

The five artist studios, INTAR, and Nakanami Carpentry have relocation agreements to relocate to another CHDC project on the CURA. Sonny's Grocery will relocate permanently off-site. Relocation will be negotiated with each tenant individually according to his or her needs.

Building Renovation

The current structure will undergo gut rehabilitation, including new fire stairs and an elevator. A seventh floor, set back from the north and east façades, will be added to the 500 wing and an eighth floor, set back from North facade, will be added to the 508 wing. Entrance to the residential portion of the building will be from West 52nd Street. All units will be ADA accessible.

The North and East façades of the building will be fully restored in accordance with state historic preservation guidelines, including use of wooden windows, historic masonry openings on the ground floor along West 52nd Street, and restoration of the historic painted signs from the piano factory on the façade.

Apartment Layouts

The project will produce 46 apartments:

| Unit Type | Total |
|------------|-------|
| Studio | 18 |
| SRO Unit | 26 |
| Management | 2 |
| Total | 46 |

Common Space

The ground floor will have an entrance lobby, front desk, building management and social services offices. The second floor will have an open space/roof deck. The roof will house the community room, community kitchen and an open space/roof deck. A laundry room will be located in the cellar.

Financing

HPD's SARA Program (Senior Affordable Rental Apartments) will provide a mortgage. The balance of the project financing will be from equity raised from the sale of Low Income Housing Tax Credits (LIHTC) and Federal Historic Preservation Tax Credits. This building will also receive Section 8 Mod rental subsidies for the units occupied by formerly homeless tenants.

HOUSING PROGRAM

Staffing

Staffing, including social service staffing, shall consist of a resident building manager, resident superintendent, 24 hour/7 days a week front desk staff, and one case worker.

Population Served

30% of the units will be reserved for homeless seniors and 70% of the units will be rented to Low Income and Very Low Income artists; those who are at or below 80%, 60%, and 50% of Area Median Income (AMI), respectively.

Income Limits

Income limits are based on the LIHTC Income Limits for NYC. The following are the maximum LIHTC Income Limits for 2016:

| HH Size | 50% | 60% | 80% |
|---------|----------|----------|----------|
| | AMI | AMI | AMI |
| 1 | \$31,750 | \$38,100 | \$50,800 |

Proposed Rents and Affordability

Rents will be based on the Low Income Housing Tax Credit guidelines. The following table shows 2016 limits for gas and rent (electric excluded), with the exception of the SRO units, where electric is included.

| <u>Unit</u> <u>Type</u> | <u>50% AMI</u> | <u>60% AMI</u> | <u>80% AMI</u> |
|----------------------------|----------------|----------------|----------------|
| SRO | \$794 | \$952 | \$1,270 |
| Studio | \$754 | \$913 | \$1,192 |

Apartment Mix and Distribution

The following table represents the proposed unit counts and distribution:

| Unit Type | 50%AMI | 60%AMI | 80%AMI | MGMT | Total |
|-----------|--------|--------|--------|------|-------|
| Studio | 4 | 7 | 7 | | 18 |
| SRO Unit | 6 | 10 | 10 | | 26 |
| Mgmt | | | | 2 | 2 |
| Total | 10 | 17 | 17 | 2 | 46 |

TENANT SELECTION

Senior Housing Units

For the low income rental units, an open application process will be conducted by the Actors Fund. This begins with availability being advertised at 125 locations within the Clinton community. After a prospective tenant meets the threshold household and income limitations, the applicant's attendance at an open house at the building is required.

Supportive Housing Units

For the supportive housing units, a referral process is conducted through social service agencies, the Department of Homeless Services and the Department of Mental Health, which includes a psychosocial background report. This process will begin prior to building completion. Following submission of documents supporting income, employment and credit, potential tenants will undergo an interview process conducted by CHDC and its social service provider, Hudson Guild.

CB4 is pleased to offer its continued support to this project which expands the available supportive housing for homeless individuals and low income tenants on a smaller scale with careful site selection. This method of providing supportive housing promotes integration of the project into the neighborhood. We look forward to engaging with the project as it moves ahead.

Sincerely,

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Delores Rubin Chair

Jean-Daniel Noland, Chair Clinton/Hell's Kitchen Land Use Committee

*Joe Restuccia, who serves on the Clinton/Hell's Kitchen Land Use Committee and is the Executive Director of Clinton Housing Development Company, recused himself from voting both at the Committee meeting on November 9th and at the Full Board Meeting on December 7th. Sarah Desmond, director of Housing Conservation Coordinators (HCC)

and a future tenant for the not-for-profit housing and James Wallace, a commercial tenant of 500 West 52nd Street, were also present but not eligible to vote at the Full Board Meeting on December 7th. Barbara Davis, executive director of the Actor's Fund, which will provide the marketing for the senior artist housing was present but not eligible at the Committee Meeting on November 9th.

Cc: Hon. Brad Hoylman, Senator Hon. Gale Brewer, Manhattan Borough President Hon. Linda Rosenthal, Assemblymember Hon. Corey Johnson, Councilmember Joe Restuccia, Clinton Housing Development Company