



Department of
Environmental
Conservation

BROWNFIELD CLEANUP PROGRAM (BCP) APPLICATION TO AMEND BROWNFIELD CLEANUP AGREEMENT AND AMENDMENT

PART I. BROWNFIELD CLEANUP AGREEMENT AMENDMENT APPLICATION

1. Check the appropriate box(es) below based on the nature of the amendment modification requested:

☒ Amendment to modify the existing BCA: [check one or more boxes below]

- ☒ Add applicant(s)
- ☐ Substitute applicant(s)
- ☒ Remove applicant(s)
- ☐ Change in Name of applicant(s)

☒ Amendment to reflect a transfer of title to all or part of the brownfield site

1a. A copy of the recorded deed must be provided. Is this attached? ☒ Yes ☐ No

1b. ☒ Change in ownership ☐ Additional owner (such as a beneficial owner)

If yes, pursuant to 6 NYCRR Part 375-1.11(d), a Change of Use form should have been previously submitted. If not, please submit this form with this Amendment. See <http://www.dec.ny.gov/chemical/76250.html>

☐ Amendment to modify description of the property(ies) listed in the existing Brownfield Cleanup Agreement [*Complete Sections I and V below and Part II*]

☐ Amendment to Expand or Reduce property boundaries of the property(ies) listed in the existing Brownfield Cleanup Agreement [*Complete Section I and V below and Part II*]

☒ **Sites in Bronx, Kings, New York, Queens, or Richmond counties ONLY:** Amendment to request determination that the site is eligible for the tangible property credit component of the brownfield redevelopment tax credit. Please answer questions on the supplement at the end of the form.

☒ Other (explain in detail below)

2. Required: Please provide a brief narrative on the nature of the amendment:

The current site owner is Brook 156 Housing Development Fund Corporation.

This application is being submitted to: 1) remove New York City Housing Preservation and Development from the Brownfield Cleanup Agreement; 2) add Brook 156 Associates, L.P. as Requestors/Applicants/Volunteers into the Brownfield Cleanup Agreement; 3) provide proof that the BCP site is an affordable housing project, and 4) document the transfer of ownership from New York City Housing Preservation and Development to Brook 156 Housing Development Fund Corporation.

Please refer to the attached instructions for guidance on filling out this application

Submission of a full BCP application will be required should this application be determined to be a major amendment. If the amendment involves a non-insignificant change in acreage, applicants are encouraged to consult with the DEC project team prior to submitting this application.

Section I. Current Agreement Information			
BCP SITE NAME: Brook 156		BCP SITE NUMBER: C203078	
NAME OF CURRENT APPLICANT(S): Brook 156 Housing Development Fund Corporation & New York City Housing Preservation and Development			
INDEX NUMBER OF AGREEMENT: C203078-03-15		DATE OF ORIGINAL AGREEMENT: 04/30/2015	
Section II. New Requestor Information (complete only if adding new requestor or name has changed)			
NAME Brook 156 Associates, L.P.			
ADDRESS 902 Broadway, 13th Floor			
CITY/TOWN New York		ZIP CODE 10010	
PHONE (646) 388-8216	FAX (646) 336-5850	E-MAIL mwadman@phippsny.org	
1. Is the requestor authorized to conduct business in New York State (NYS)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No • If the requestor is a Corporation, LLC, LLP or other entity requiring authorization from the NYS Department of State to conduct business in NYS, the requestor's name must appear, exactly as given above, in the NYS Department of State's (DOS) Corporation & Business Entity Database. A print-out of entity information from the DOS database must be submitted to DEC with the application, to document that the applicant is authorized to do business in NYS.			
NAME OF NEW REQUESTOR'S REPRESENTATIVE Michael Wadman			
ADDRESS 902 Broadway, 13th Floor			
CITY/TOWN New York		ZIP CODE 10010	
PHONE (646) 388-8216	FAX (646) 336-5850	E-MAIL mwadman@phippsny.org	
NAME OF NEW REQUESTOR'S CONSULTANT (if applicable) Deborah Shapiro, AKRF, Inc.			
ADDRESS 440 Park Ave South 7th Floor			
CITY/TOWN New York		ZIP CODE 10016	
PHONE (646) 388-9544	FAX (212) 726-0942	E-MAIL dshapiro@akrf.com	
NAME OF NEW REQUESTOR'S ATTORNEY (if applicable) Oliver Chase, Hirschen, Singer & Epstein, LLP			
ADDRESS 902 Broadway, 13th Floor			
CITY/TOWN New York		ZIP CODE 10010	
PHONE (212) 819-1130	FAX (212) 302-8536	E-MAIL ochase@hseny.com	
2. Requestor must submit proof that the party signing this Application and Amendment has the authority to bind the Requestor. This would be documentation from corporate organizational papers, which are updated, showing the authority to bind the corporation, or a Corporate Resolution showing the same, or an Operating Agreement or Resolution for an LLC. Is this proof attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
3. Describe Requestor's Relationship to Existing Applicant: The Requestor and the Existing Applicant are related entities. See operating agreement and flow chart for relationship detail. New York City Housing Preservation and Development is the former owner of the BCP Site, and by a deed dated October 1, 2020 (provided as an attachment to this BCA Amendment), transferred all of its ownership interest in the BCP Site to the Brook 156 Housing Development Fund Corporation.			

Section III. Current Property Owner/Operator Information (only include if new owner/operator)
Owner below is: ☒ Existing Applicant ☐ New Applicant ☐ Non-Applicant

OWNER'S NAME (if different from requestor) Brook 156 Housing Development Fund Corporation

ADDRESS 902 Broadway, 13th Floor

CITY/TOWN New York

ZIP CODE 10010

PHONE (212) 863-6593

FAX (646) 336-5850

E-MAIL mwadman@phippsny.org

OPERATOR'S NAME (if different from requestor or owner)

ADDRESS

CITY/TOWN

ZIP CODE

PHONE

FAX

E-MAIL

Section IV. Eligibility Information for New Requestor (Please refer to ECL § 27-1407 for more detail)

If answering "yes" to any of the following questions, please provide an explanation as an attachment.

1. Are any enforcement actions pending against the requestor regarding this site? ☐ Yes ☒ No
2. Is the requestor presently subject to an existing order for the investigation, removal or remediation relating to contamination at the site? ☐ Yes ☒ No
3. Is the requestor subject to an outstanding claim by the Spill Fund for this site? ☐ Yes ☒ No
Any questions regarding whether a party is subject to a spill claim should be discussed with the Spill Fund Administrator.
4. Has the requestor been determined in an administrative, civil or criminal proceeding to be in violation of i) any provision of the subject law; ii) any order or determination; iii) any regulation implementing ECL Article 27 Title 14; or iv) any similar statute, regulation of the state or federal government? If so, provide an explanation on a separate attachment. ☐ Yes ☒ No
5. Has the requestor previously been denied entry to the BCP? If so, include information relative to the application, such as name, address, Department assigned site number, the reason for denial, and other relevant information. ☐ Yes ☒ No
6. Has the requestor been found in a civil proceeding to have committed a negligent or intentionally tortious act involving the handling, storing, treating, disposing or transporting of contaminants? ☐ Yes ☒ No
7. Has the requestor been convicted of a criminal offense i) involving the handling, storing, treating, disposing or transporting of contaminants; or ii) that involves a violent felony, fraud, bribery, perjury, theft, or offense against public administration (as that term is used in Article 195 of the Penal Law) under federal law or the laws of any state? ☐ Yes ☒ No
8. Has the requestor knowingly falsified statements or concealed material facts in any matter within the jurisdiction of the Department, or submitted a false statement or made use of or made a false statement in connection with any document or application submitted to the Department? ☐ Yes ☒ No
9. Is the requestor an individual or entity of the type set forth in ECL 27-1407.9(f) that committed an act or failed to act, and such act or failure to act could be the basis for denial of a BCP application? ☐ Yes ☒ No
10. Was the requestor's participation in any remedial program under DEC's oversight terminated by DEC or by a court for failure to substantially comply with an agreement or order? ☐ Yes ☒ No
11. Are there any unregistered bulk storage tanks on-site which require registration? ☐ Yes ☒ No

THE NEW REQUESTOR MUST CERTIFY THAT IT IS EITHER A PARTICIPANT OR VOLUNTEER IN ACCORDANCE WITH ECL §27-1405 (1) BY CHECKING ONE OF THE BOXES BELOW:

☐ PARTICIPANT

A requestor who either 1) was the owner of the site at the time of the disposal of contamination or 2) is otherwise a person responsible for the contamination, unless the liability arises solely as a result of ownership, operation of, or involvement with the site subsequent to the disposal of contamination.

☒ VOLUNTEER

A requestor other than a participant, including a requestor whose liability arises solely as a result of ownership, operation of or involvement with the site subsequent to the disposal of hazardous waste or discharge of petroleum.

NOTE: By checking this box, a requestor whose liability arises solely as a result of ownership, operation of or involvement with the site certifies that he/she has exercised appropriate care with respect to the hazardous waste found at the facility by taking reasonable steps to: i) stop any continuing discharge; ii) prevent any threatened future release; iii) prevent or limit human, environmental, or natural resource exposure to any previously released hazardous waste.

If a requestor whose liability arises solely as a result of ownership, operation of or involvement with the site, submit a statement describing why you should be considered a volunteer – be specific as to the appropriate care taken.

12. Requestor's Relationship to Property (check one):

☐ Prior Owner ☐ Current Owner ☐ Potential /Future Purchaser ☒ Other New Requestor/Volunteer

13. If requestor is not the current site owner, **proof of site access sufficient to complete the remediation must be submitted.** Proof must show that the requestor will have access to the property before signing the BCA and throughout the BCP project, including the ability to place an easement on the site Is this proof attached? ☒ Yes ☐ No

Note: a purchase contract does not suffice as proof of access.

Section V. Property description and description of changes/additions/reductions (if applicable)

1. Property information on current agreement:

ADDRESS **Tax Block 2360, Lots 1 and 3**

CITY/TOWN Bronx, NY

ZIP CODE 10451

TAX BLOCK AND LOT (SBL)

TOTAL ACREAGE OF CURRENT SITE: **.171**

Parcel Address	Section No.	Block No.	Lot No.	Acreage
No Address Currently Exists		2360	1	0.130
740 Brook Avenue		2360	3	0.041

2. Check appropriate boxes below:

☐

Addition of property (may require additional citizen participation depending on the nature of the expansion – see attached instructions)

2a. PARCELS ADDED:

Parcel Address	Section No.	Block No.	Lot No.	Acreage Added by Parcel

Total acreage to be added: _____

☐

Reduction of property

2b. PARCELS REMOVED:

Parcel Address	Section No.	Block No.	Lot No.	Acreage Removed by Parcel

Total acreage to be removed: _____

☐

Change to SBL (e.g. merge, subdivision, address change)

2c. NEW SBL INFORMATION:

Parcel Address	Section No.	Block No.	Lot No.	Acreage

If requesting to modify a metes and bounds description or requesting changes to the boundaries of a site, please attach a revised metes and bounds description, survey, or acceptable site map to this application.

3. TOTAL REVISED SITE ACREAGE: _____

Supplement to the Application To Amend Brownfield Cleanup Agreement And Amendment - Questions for Sites Seeking Tangible Property Credits in New York City ONLY.

Property is in Bronx, Kings, New York, Queens, or Richmond counties.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Requestor seeks a determination that the site is eligible for the tangible property credit component of the brownfield redevelopment tax credit.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please answer questions below and provide documentation necessary to support answers.	
1. Is at least 50% of the site area located within an environmental zone pursuant to Tax Law 21(6)? Please see DEC's website for more information.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Is the property upside down as defined below?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>From ECL 27-1405(31):</p> <p>"Upside down" shall mean a property where the projected and incurred cost of the investigation and remediation which is protective for the anticipated use of the property equals or exceeds seventy-five percent of its independent appraised value, as of the date of submission of the application for participation in the brownfield cleanup program, developed under the hypothetical condition that the property is not contaminated.</p>	
3. Is the project an affordable housing project as defined below?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>From 6 NYCRR 375- 3.2(a) as of August 12, 2016:</p> <p>(a) "Affordable housing project" means, for purposes of this part, title fourteen of article twenty seven of the environmental conservation law and section twenty-one of the tax law only, a project that is developed for residential use or mixed residential use that must include affordable residential rental units and/or affordable home ownership units.</p> <p>(1) Affordable residential rental projects under this subdivision must be subject to a federal, state, or local government housing agency's affordable housing program, or a local government's regulatory agreement or legally binding restriction, which defines (i) a percentage of the residential rental units in the affordable housing project to be dedicated to (ii) tenants at a defined maximum percentage of the area median income based on the occupants' households annual gross income.</p> <p>(2) Affordable home ownership projects under this subdivision must be subject to a federal, state, or local government housing agency's affordable housing program, or a local government's regulatory agreement or legally binding restriction, which sets affordable units aside for home owners at a defined maximum percentage of the area median income.</p> <p>(3) "Area median income" means, for purposes of this subdivision, the area median income for the primary metropolitan statistical area, or for the county if located outside a metropolitan statistical area, as determined by the United States department of housing and urban development, or its successor, for a family of four, as adjusted for family size.</p>	

PART II. BROWNFIELD CLEANUP PROGRAM AMENDMENT

Existing Agreement Information	
BCP SITE NAME: Brook 156	BCP SITE NUMBER: C203078
NAME OF CURRENT APPLICANT(S): Brook 156 Housing Development Fund Corporation & New York City Housing Preservation and Development	
INDEX NUMBER OF AGREEMENT:	C203078-03-15
EFFECTIVE DATE OF ORIGINAL AGREEMENT:	04/30/2015

Declaration of Amendment:

By the Requestor(s) and/or Applicant(s) signatures below, and subsequent signature by the Department, the above application to amend the Brownfield Cleanup Agreement described above is hereby approved. This Amendment is made in accordance with and subject to all of the BCA and all applicable guidance, regulations and state laws applicable thereto. All other substantive and procedural terms of the Agreement will remain unchanged and in full force and effect regarding the parties to the Agreement.

Nothing contained herein constitutes a waiver by the Department or the State of New York of any rights held in accordance with the Agreement or any applicable state and/or federal law or a release for any party from any obligations held under the Agreement or those same laws.

Statement of Certification and Signatures: New Requestor(s) (if applicable)

(Individual)

I hereby affirm that information provided on this form and its attachments is true and complete to the best of my knowledge and belief. I am aware that any false statement made herein is punishable as a Class A misdemeanor pursuant to section 210.45 of the Penal Law. My signature below constitutes the requisite approval for the amendment to the BCA Application, which will be effective upon signature by the Department.

Date: _____ Signature: _____

Print Name: _____

(Entity)

I hereby affirm that I am (title member) of (entity Brook 156 Associates, L.P.); that I am authorized by that entity to make this application; that this application was prepared by me or under my supervision and direction; and that information provided on this form and its attachments is true and complete to the best of my knowledge and belief. I am aware that any false statement made herein is punishable as a Class A misdemeanor pursuant to Section 210.45 of the Penal Law.

My _____ signature below constitutes the requisite approval for the amendment to the BCA Application, which will be effective upon signature by the Department.

Date: 5-19-21 Signature: 

Print Name: Michael Wadman

Statement of Certification and Signatures: Existing Applicant(s) (an authorized representative of each applicant must sign)

(Individual)

I hereby affirm that I am a party to the Brownfield Cleanup Agreement and/or Application referenced in Section I above and that I am aware of this Application for an Amendment to that Agreement and/or Application. My signature below constitutes the requisite approval for the amendment to the BCA Application, which will be effective upon signature by the Department.

Date: _____ Signature: _____

Print Name: _____

(Entity)

I hereby affirm that I am member (title) of Brook 156 Housing Development Fund Corporation (entity) which is a party to the Brownfield Cleanup Agreement and/or Application referenced in Section I above and that I am aware of this Application for an Amendment to that Agreement and/or Application. My signature below constitutes the requisite approval for the amendment to the BCA Application, which will be effective upon signature by the Department.

Date: 5-19-21 Signature: 

Print Name: Michael Wadman

REMAINDER OF THIS AMENDMENT WILL BE COMPLETED SOLELY BY THE DEPARTMENT

Please see the following page for submittal instructions.

NOTE: Applications submitted in fillable format will be rejected.

Status of Agreement:

☐ PARTICIPANT

A requestor who either 1) was the owner of the site at the time of the disposal of contamination or 2) is otherwise a person responsible for the contamination, unless the liability arises solely as a result of ownership, operation of, or involvement with the site subsequent to the disposal of contamination.

☒ VOLUNTEER

A requestor other than a participant, including a requestor whose liability arises solely as a result of ownership, operation of or involvement with the site subsequent to the contamination.

Effective Date of the Original Agreement: **04/30/2015**

Signature by the Department:

DATED: 8/4/2021

NEW YORK STATE DEPARTMENT OF
ENVIRONMENTAL CONSERVATION

By:


Michael J. Ryan, P.E., Director
Division of Environmental Remediation

Site Code: C203078

Statement of Certification and Signatures: Existing Applicant(s) (an authorized representative of each applicant must sign)

(Individual)

I hereby affirm that I am a party to the Brownfield Cleanup Agreement and/or Application referenced in Section I above and that I am aware of this Application for an Amendment to that Agreement and/or Application. My signature below constitutes the requisite approval for the amendment to the BCA Application, which will be effective upon signature by the Department.

Date: 7/7/2021 Signature: Rona Reodica

Digitally signed by Rona Reodica
Date: 2021.07.07 12:30:13 -0400

Print Name: Rona Reodica

(Entity)

I hereby affirm that I am member (title) of New York City Housing Preservation and Development (entity) which is a party to the Brownfield Cleanup Agreement and/or Application referenced in Section I above and that I am aware of this Application for an Amendment to that Agreement and/or Application. My signature below constitutes the requisite approval for the amendment to the BCA Application, which will be effective upon signature by the Department.

Date: 7/7/2021 Signature: Rona Reodica

Digitally signed by Rona Reodica
Date: 2021.07.07 12:30:35 -0400

Print Name: Rona Reodica

REMAINDER OF THIS AMENDMENT WILL BE COMPLETED SOLELY BY THE DEPARTMENT

Please see the following page for submittal instructions.

NOTE: Applications submitted in fillable format will be rejected.

Status of Agreement:

☐

PARTICIPANT

A requestor who either 1) was the owner of the site at the time of the disposal of contamination or 2) is otherwise a person responsible for the contamination, unless the liability arises solely as a result of ownership, operation of, or involvement with the site subsequent to the disposal of contamination.

☒

VOLUNTEER

A requestor other than a participant, including a requestor whose liability arises solely as a result of ownership, operation of or involvement with the site subsequent to the contamination.

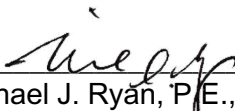
Effective Date of the Original Agreement: 04/30/2015

Signature by the Department:

DATED: 8/4/2021

NEW YORK STATE DEPARTMENT OF
ENVIRONMENTAL CONSERVATION

By:



Michael J. Ryan, P.E., Director
Division of Environmental Remediation

Site Code: C203078

Rider to BCA Amendment # 2 to Document a Tangible Property Tax Credit Determination

Site Name: Brook 156

Site Number: C203078

1- The Department has determined that the Site is eligible for tangible property tax credits pursuant to ECL § 27-1407(1-a) because the Site is located in a City having a population of one million or more and:

- ☐ At least half of the site area is located in an environmental zone as defined in section twenty-one of the tax law
- ☐ The property is upside down, as defined by ECL 27-1405 (31)
- ☐ The property is underutilized, as defined by 375-3.2(l).
- ☒ The project is an affordable housing project, as defined by 375-3.2(a).

2- The Site is located in a City having a population of one million or more and the Applicant:

☐ Has not requested a determination that the Site is eligible for tangible property tax credits. It is therefore presumed that the Site is not eligible for tangible property tax credits. In accordance with ECL § 27-1407(1-a), the Applicant may request an eligibility determination for tangible property tax credits at any time from application until the site receives a certificate of completion except for sites seeking eligibility under the underutilized category.

☐ Requested a determination that the Site is eligible for tangible property tax credits and pursuant to ECL § 27-1407(1-a), the Department has determined that the Site is not eligible for tangible property tax credits because the Applicant has not submitted documentation sufficient to demonstrate that at least one of the following conditions exists: at least half of the site area is located in an environmental zone as defined in section twenty-one of the tax law, the property is upside down, the property is underutilized, or the project is an affordable housing project. In accordance with ECL § 27-1407(1-a), the Applicant may request an eligibility determination for tangible property tax credits at any time from application until the site receives a certificate of completion except for sites seeking eligibility under the underutilized category.

3- For sites statewide, where applicable:

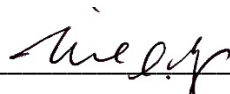
☐ In accordance with ECL § 27-1407(1-a), based on data submitted with the application the Department has determined the Site is not eligible for tangible property tax credits because the contamination in ground water and/or soil vapor is solely emanating from property other than the Site.

☐ The remedial investigation or other data generated during the remedial program the Department has identified an on-site source of contamination, which now makes this site eligible for tangible property tax credits.

☐ The Department has determined that the Site or a portion of the Site has previously been remediated pursuant to Article 27, Title 9, 13 or 14] of the ECL, Article 12 of the Navigation Law or Article 56, Title 5 of the ECL. Therefore, in accordance with ECL § 27-1407(1-a), the Site is not eligible for tangible property tax credits.

THIS RIDER TO AN AMENDMENT TO THE BCA ESTABLISHING ELIGIBILITY
FOR TANGIBLE PROPERTY TAX CREDITS IS HEREBY
APPROVED, Acting by and Through the Department of
Environmental Conservation as Designee of the Commissioner,

By:



Michael J. Ryan, P.E.
Director
Division of Environmental Remediation

August 4, 2021

Date

SUBMITTAL INFORMATION:

- **Two (2)** copies, one hard copy with original signatures and one electronic copy in final, non-fillable Portable Document Format (PDF) must be sent to:

Chief, Site Control Section
New York State Department of Environmental Conservation
Division of Environmental Remediation
625 Broadway
Albany, NY 12233-7020

- **NOTE: Applications submitted in fillable format will be rejected.**

FOR DEPARTMENT USE ONLY

BCP SITE T&A CODE:_____ **LEAD OFFICE:**_____

PROJECT MANAGER:_____



Environmental, Planning, and Engineering Consultants

440 Park Avenue South, 7th Floor
New York, NY 10016
tel: (212) 696-0670
fax: (212) 213-3191
www.akrf.com

July 7, 2021

Chief, Site Control Section
New York State Department of Environmental Conservation
Bureau of Technical Support
625 Broadway
Albany, NY 12233-7020

Re: Brownfield Cleanup Program Amendment Application – Revision 2
BCP Site No. C203078 – Brook 156
740 Brook Avenue, Bronx, New York 10455

To Whom It May Concern:

Attached is one electronic copy of the Brownfield Cleanup Agreement (BCA) Amendment Application for the Brook 156 site [New York State Department of Environmental Conservation (NYSDEC) Brownfield Cleanup Program (BCP) Site No. C203078] located at 740 Brook Avenue in the Bronx, New York. Additionally, enclosed is a NYSDEC Change of Use form for the Site to document the change of ownership.

The enclosed BCA Amendment Application is being submitted to remove New York City Housing Preservation and Development from the BCA and add Brook 156 Associates, L.P. as Requestors/Applicants/Volunteers in the BCP. In addition, although the property was deemed eligible for tangible property tax credits due to its location in an environmental zone, proof that the development is an affordable housing project is also included.

Thank you for the opportunity to submit this BCA Amendment Application on behalf of Brook 156 Housing Development Fund Corporation and Brook 156 Associates, L.P. If you have any questions or need additional detail regarding this Application, please call Deborah at (646) 388-9544 or Pat at (914) 922-2387.

Sincerely,
AKRF, Inc.

A handwritten signature in blue ink, appearing to read 'D. Shapiro'.

Deborah Shapiro, QEP
Senior Vice President

A handwritten signature in blue ink, appearing to read 'Patrick J. McHugh'.

Patrick McHugh, P.E.
Environmental Engineer

Enc.

BCA Amendment Application
Attachment A – NYSDOS Entity Database Information
Attachment B – Entities Operating Agreements and Relationship Flow Chart
Attachment C – Entities Access Agreement

Attachment D – Regulatory Agreement Showing Proof of Affordability

Attachment E – NYSEC Rider to BCA Amendment #1

Attachment F – Lot 3 Deed

cc: Michael Wadman – Brook 156 HDFC, Brook 156 Associates, L.P.
Manfred Magliore, Mandy Yao – NYSDEC
Stephanie Selmer – NYSDOH
Patrick McHugh – AKRF

W:\Projects\11703 - BROOK 156\11703 - Brook 156\BCP App and BCA\2021 Amendment\1 - BCA Amendment Application Cover Letter.docx/

ATTACHMENT A
NYSDOS ENTITY DATABASE INFORMATION

NYS Department of State

Division of Corporations

Entity Information

The information contained in this database is current through February 3, 2021.

Selected Entity Name: BROOK 156 ASSOCIATES, L.P.

Selected Entity Status Information

Current Entity Name: BROOK 156 ASSOCIATES, L.P.

DOS ID #: 5694359

Initial DOS Filing Date: JANUARY 23, 2020

County: NEW YORK

Jurisdiction: NEW YORK

Entity Type: DOMESTIC LIMITED PARTNERSHIP

Current Entity Status: ACTIVE

Selected Entity Address Information

DOS Process (Address to which DOS will mail process if accepted on behalf of the entity)

C/O PHIPPS HOUSES

902 BROADWAY, 13TH FLOOR

NEW YORK, NEW YORK, 10010

Registered Agent

NONE

***Stock Information**

# of Shares	Type of Stock	\$ Value per Share
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No Information Available

*Stock information is applicable to domestic business corporations.

Name History

Filing Date	Name Type	Entity Name
JAN 23, 2020	Actual	BROOK 156 ASSOCIATES, L.P.

A **Fictitious** name must be used when the **Actual** name of a foreign entity is unavailable for use in New York State. The entity must use the fictitious name when conducting its activities or business in New York State.

NOTE: New York State does not issue organizational identification numbers.

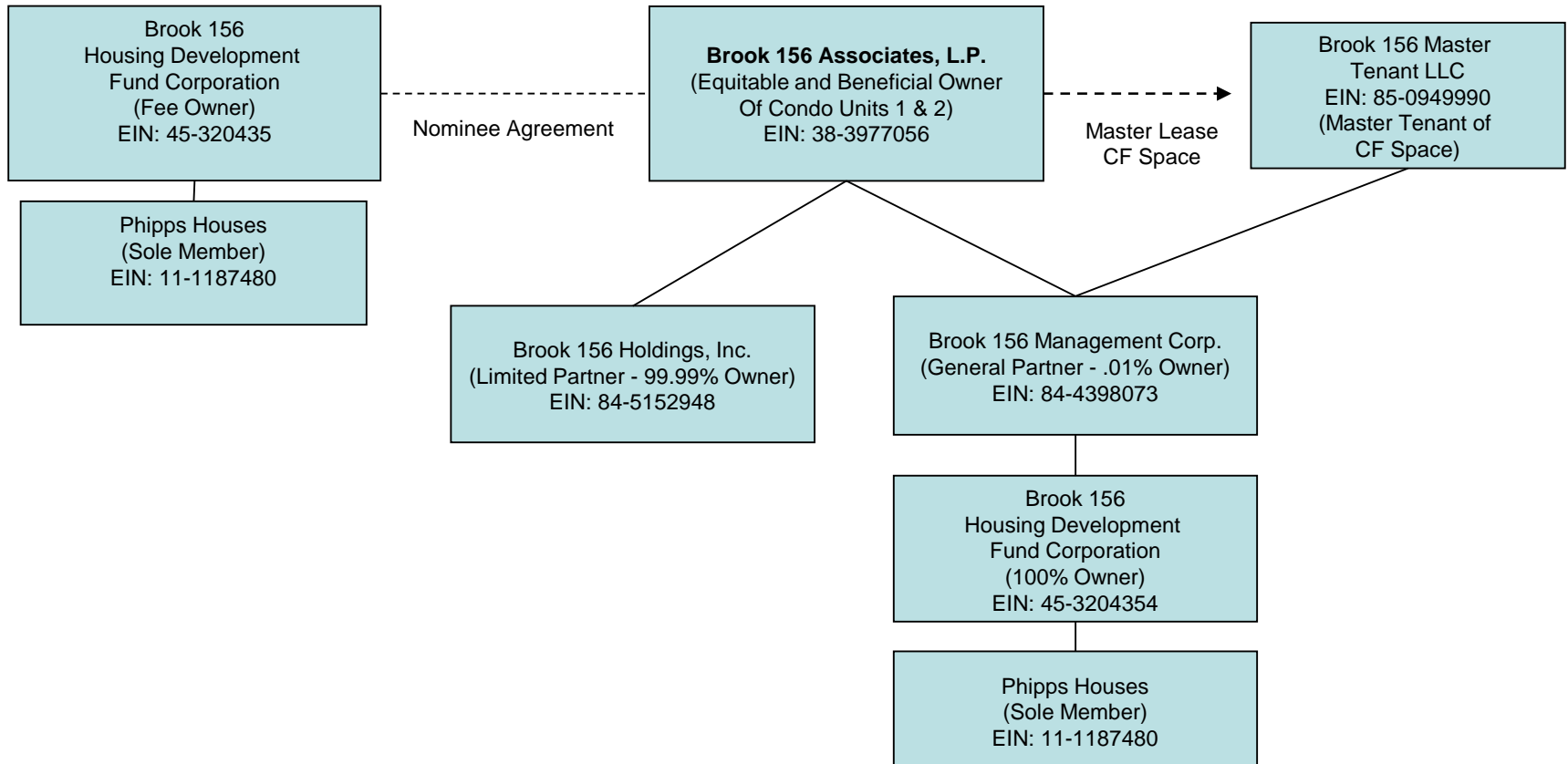
[Search Results](#) [New Search](#)

[Services/Programs](#) | [Privacy Policy](#) | [Accessibility Policy](#) | [Disclaimer](#) | [Return to DOS Homepage](#) | [Contact Us](#)

ATTACHMENT B
ENTITIES OPERATING AGREEMENTS AND RELATIONSHIP FLOW CHART

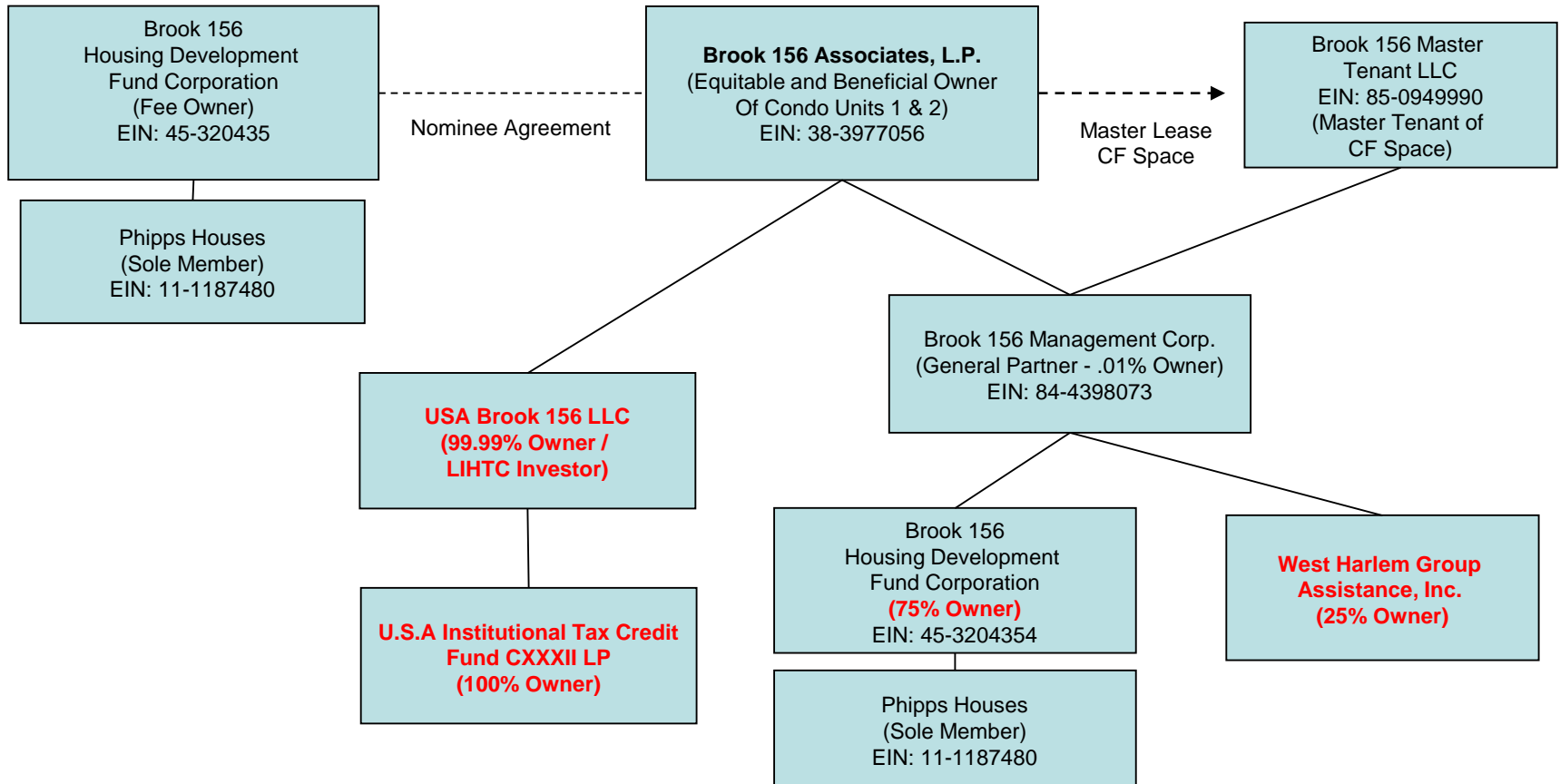
BROOK 156

Organizational Structure – at Construction Loan Closing
740 Brook Avenue, Bronx, New York
Block 2360 / Lots 1 and 3
(2 Condominium Units)



BROOK 156

Organizational Structure – After Brownfields Certificate of Completion and By Perm. Conversion
740 Brook Avenue, Bronx, New York
Block 2360 / Lots 1 and 3
(2 Condominium Units)



Notes:

Condo Structure: Unit A: 48 LIHTC units + CF space + 1 super & Unit B: 3 Non-LIHTC units

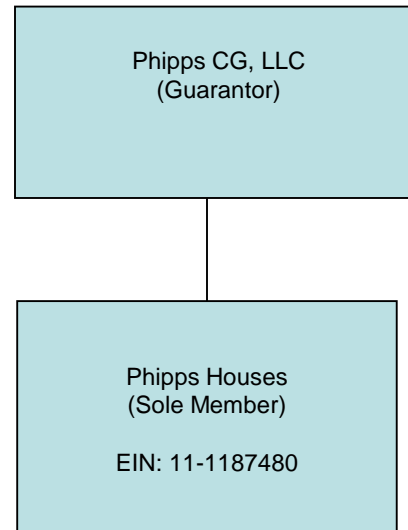
BROOK 156

Organizational Structure – After Brownfields Certificate of Completion

740 Brook Avenue, Bronx, New York

Block 2360 / Lots 1 and 3

(To Be Formed Condominium – 2 Condominium Units)



ATTACHMENT C
ENTITIES ACCESS AGREEMENT

Brook 156 Housing Development Fund Corporation

902 Broadway, 13th Floor
New York, NY 10010

February 5, 2021

Brook 156 Associates, L.P.

**902 Broadway, 13th Floor
New York, NY 10010**

RE: Property access to perform all obligations under the New York State
Brownfield Cleanup Program

To Whom It May Concern,

Brook 156 Housing Development Fund Corporation (Brook 156 HDFC) currently owns the property located at 740 Brook Avenue, Bronx, NY. ("the Property"). Brook 156 HDFC hereby authorizes Brook 156 Associates, L.P. to access the Property to perform any and all obligations under the New York State Brownfield Cleanup Program ("BCP"). Brook 156 HDFC understands that Brook 156 Associates, L.P. will also need to provide access to the New York State Department of Environmental Conservation, the New York State Department of Health, and AKRF, Inc. to perform requisite inspections, sampling, and all requirements under the BCP.

Sincerely,

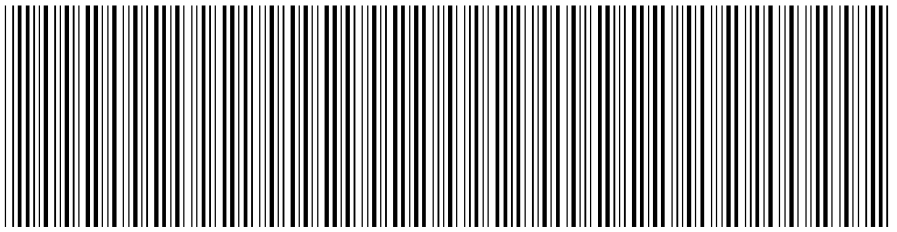


Michael Wadman
Member, Brook 156 HDFC

ATTACHMENT D
REGULATORY AGREEMENT SHOWING PROOF OF AFFORDABILITY

**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.



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RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 47

Document ID: 2020101401031019

Document Date: 10-01-2020

Preparation Date: 10-23-2020

Document Type: AGREEMENT

Document Page Count: 45

PRESENTER:

CHICAGO TITLE INSURANCE CO. (PICK-UP)
711 THIRD AVE, 5TH FLOOR
CT18-00821-BX CB
NEW YORK, NY 10017
212-880-1200
CTINYRECORDING@CTT.COM

RETURN TO:

NEW YORK CITY DEPARTMENT OF HOUSING
PRESERVATION A
100 GOLD STREET, RM 5-Q5
NEW YORK, NY 10038

PROPERTY DATA				
Borough	Block	Lot	Unit	Address
BRONX	2360	1	Entire Lot	N/A EAST 156 STREET
Property Type: UTILITY				
Borough	Block	Lot	Unit	Address
BRONX	2360	3	Entire Lot	740 BROOK AVENUE
Property Type: NON-RESIDENTIAL VACANT LAND				

CROSS REFERENCE DATA

CRFN _____ or DocumentID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

PARTY 1:

BROOK 156 HOUSING DEVELOPMENT FUND
CORPORATION
C/O PHHIPPS HOUSES, 902 BROADWAY 13TH FLOOR
NEW YORK, NY 10010

PARTY 2:

CITY OF NEW YORK (THE)
DEPARTMENT OF HOUSING PRESERVATION AND
DEVELOPMENT, 100 GOLD STREET
NEW YORK, NY 10038

☒ Additional Parties Listed on Continuation Page

FEES AND TAXES

Mortgage :

Mortgage Amount:	\$	0.00
Taxable Mortgage Amount:	\$	0.00
Exemption:		
TAXES: County (Basic):	\$	0.00
City (Additional):	\$	0.00
Spec (Additional):	\$	0.00
TASF:	\$	0.00
MTA:	\$	0.00
NYCTA:	\$	0.00
Additional MRT:	\$	0.00
TOTAL:	\$	0.00
Recording Fee:	\$	265.00
Affidavit Fee:	\$	0.00

Filing Fee:

	\$	0.00
NYC Real Property Transfer Tax:	\$	0.00
NYS Real Estate Transfer Tax:	\$	0.00

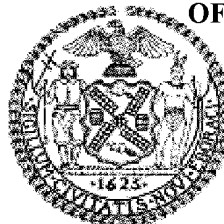
**RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE**

CITY OF NEW YORK

Recorded/Filed 10-27-2020 11:38

City Register File No.(CRFN):

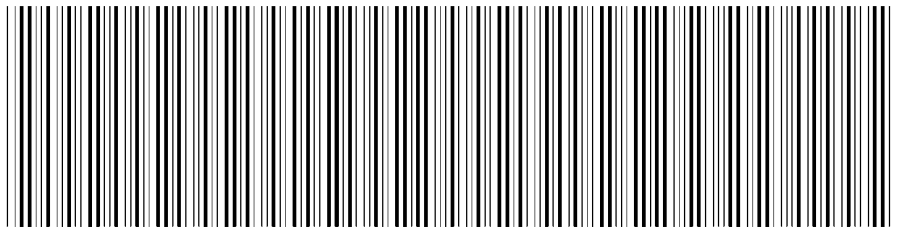
2020000298867



Annette McMill

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



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RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION)

PAGE 2 OF 47

Document ID: 2020101401031019

Document Date: 10-01-2020

Preparation Date: 10-23-2020

Document Type: AGREEMENT

PARTIES

PARTY 1:

BROOK 156 ASSOCIATES, L.P.
C/O PHHIPPS HOUSES, 902 BROADWAY 13TH FLOOR
NEW YORK, NY 10010

VSPD

REGULATORY AGREEMENT

THE CITY OF NEW YORK

and

BROOK 156 HOUSING DEVELOPMENT FUND COMPANY, INC.

and

BROOK 156 ASSOCIATES, L.P.

<u>Block(s)</u>	<u>Lot(s)</u>	<u>Address</u>
2360	1	East 156 Street
2360	3	740 Brook Avenue a/k/a 501 East 156 Street
<u>County:</u>	Bronx	

RECORD AND RETURN TO:

Department of Housing Preservation and
Development
Office of Legal Affairs
100 Gold Street, Room 5Q5
New York, New York 10038

(10)

REGULATORY AGREEMENT

THIS REGULATORY AGREEMENT is entered into as of the 1st of October 2020 among **BROOK 156 HOUSING DEVELOPMENT FUND CORPORATION**, a New York not-for-profit corporation, having an office at c/o Phipps Houses, 902 Broadway, 13th Floor, New York, New York 10010 ("HDFC"), **BROOK 156 ASSOCIATES, L.P.**, a New York limited partnership formed pursuant to the laws of the State of New York, having an office at c/o Phipps Houses, 902 Broadway, 13th Floor, New York, New York 10010 ("Borrower"; together with HDFC, collectively, the "Sponsor"), and the **CITY OF NEW YORK** ("City"), a municipal corporation of the State of New York (the "State"), acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT** ("HPD"), having an office at 100 Gold Street, New York, New York 10038.

WHEREAS, the City has conveyed fee title to the premise located in the County of the Bronx, City and State of New York known as and by the street address 740 Brook Avenue a/k/a 501 East 156 Street, identified as Block 2360, Lot 3 on the Tax Map of the City ("Lot 3") to the HDFC pursuant to that certain deed dated as of the date hereof, and the City and the Sponsor have entered into a Land Disposition Agreement dated as of the date of this Agreement, which is to be recorded against the Premises ("LDA"); and

WHEREAS, HDFC is owner of the fee simple estate of (a) Lot 3 and (b) the premises located in the County of the Bronx, City and State of New York, known as and by the street address East 156 Street, identified as Block 2360, Lot 1 on the Tax Map of the City ("Lot 1" and together with Lot 3, collectively, the "Premises"), more particularly described in **Exhibit A** attached hereto and made a part hereof; and

WHEREAS, HDFC and Borrower have entered into a Declaration of Interest and Nominee Agreement ("Nominee Agreement"), dated as of the date hereof, pursuant to which HDFC will retain legal title in the Premises and Borrower will hold the beneficial interests in the Premises; and

WHEREAS, HPD will provide partial financing ("HPD Financing") in participation with Citibank, N.A. ("Citibank"), and New York State Homes and Community Renewal ("HCR") for the new construction of a residential rental building on the Premises that will contain fifty-two (52) residential rental apartment units, inclusive of one (1) superintendent's unit and community facility space as more particularly described herein, (the "Project"); and

WHEREAS, prior to the Permanent Conversion Date (hereinafter defined), Borrower and HDFC shall record a declaration of condominium, (together with by-laws and other schedules attached thereto, as the same may be amended from time to time, (the "Condominium Declaration") with the City Register's Office, which shall establish the building to be constructed on the Premises as a condominium (the "Condominium"); and

WHEREAS, the Condominium Declaration will establish two (2) separate condominium units on the Premises, as follows: (i) a condominium unit that will contain forty-eight (48) rental units reserved for households whose annual household income does not exceed 80% of AMI upon initial occupancy, the one (1) superintendent's unit and the approximately 1,115 square feet of community facility space (the "LIHTC Unit"); and (ii) a condominium unit that will

contain three (3) rental units reserved for households whose annual household income does not exceed 100% of AMI upon initial occupancy ("Non-LIHTC Unit");

WHEREAS, after the formation of the Condominium Units, Sponsor shall own the LIHTC Unit and the Non-LIHTC Unit;

WHEREAS, the Sponsor expects to receive Real Property Tax Benefits;

WHEREAS, HPD requires that the Project and the Sponsor comply with marketing, occupancy and operating requirements as a condition to providing the HPD Financing;

WHEREAS, HPD requires that a Mandatory Inclusionary Housing Restrictive Declaration (the "MIH Restrictive Declaration") be recorded against the Premises;

WHEREAS, Sponsor is entering into this Regulatory Agreement as a condition of the HPD Loan (hereinafter defined), which shall consist of City Capital funds provided under Article 15 of the Private Housing Finance Law of the State of New York;

WHEREAS, to induce HPD to provide such financing to the Borrower, HPD requires the Sponsor, among other conditions for such financing, to agree that the Premises be restricted in the manner hereinafter provided,

NOW THEREFORE, the parties do hereby agree as follows:

1. **Certain Definitions**

"30% of AMI" shall mean 60% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"40% of AMI" shall mean 80% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"50% of AMI" shall mean 100% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"60% of AMI" shall mean 120% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"70% of AMI" shall mean 140% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"80% of AMI" shall mean 160% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"90% of AMI" shall mean 180% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"100% of AMI" shall mean 200% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"Act" shall mean Section 42 of the Internal Revenue Code of 1986, as amended.

"Actual Rent" shall mean the rent shown on the lease, which is the rent to be collected by Borrower (either the entire rent from the tenant, or a portion of the rent from the tenant and a portion by a rent subsidy). If the Actual Rent for a unit is less than the Legal Rent for the unit, then the Actual Rent shall be registered as a preferential rent.

"AMI" shall mean the area median income for the primary metropolitan statistical area as determined by the United States Department of Housing and Urban Development or its successors ("HUD") from time to time for a family of four, as adjusted for family size.

"Annual Income" is the anticipated total income from all sources to be received by the household head and spouse and by each additional member of the household, including all net income derived from assets, for the twelve (12) month period following the date of initial determination of income. The definitions and descriptions of income set forth in United States Department of Housing and Urban Development ("HUD") regulations contained in 24 CFR 5.609 or any successor regulations shall apply for the purposes of this Agreement and shall be incorporated herein.

"Applicable AMI Limit" shall mean (i) for any Tax Credit Unit, the percentage of AMI specified for occupancy of such Unit such that, by way of example, the Applicable AMI Limit for a 60% of AMI Unit is 60% of AMI, and (ii) for any Non-Tax Credit Unit, the percentage of AMI specified for initial Actual Rents for such Units, all as set forth on Schedule B.

"Commitment Letter" shall mean that certain letter of commitment dated as of the date hereof from HPD to HDHC and Borrower.

"Compliance Commencement Date" shall mean the first day of the first taxable year of the Credit Period (as defined in Section 42(f)(1) of the Act)

"Eligible Homeless Tenant" shall mean an Eligible Tenant (defined below) referred by the New York City Department of Homeless Services ("DHS"), or an alternate referral source acceptable to HPD.

"Eligible Tenant" shall mean a tenant who meets the income restrictions and other requirements set forth in this Agreement.

"FMR" shall mean the fair market rent as determined by HUD for the New York metropolitan area that is in effect as of the date of the relevant rent determination.

"HAP Contract" shall mean that certain Housing Assistance Payment Contract to be entered into by Borrower and HUD pertaining to the Section 8 project-based rental assistance program on the Project, including without limitation renewals thereof.

"Homeless HAP Unit" shall mean a Homeless Unit subsidized with HAP Contact Assistance as more particularly described in Schedule B annexed hereto and made apart hereof.

"Homeless Non-HAP Unit" shall mean a Homeless Unit not subsidized with HAP Contact Assistance as more particularly described in Schedule B annexed hereto and made apart hereof.

"Homeless Unit" shall mean any Unit occupied by an Eligible Homeless Tenant.

"Homeless Unit Term" shall have the meaning ascribed to such term as set forth in Paragraph 5 of this Agreement.

"HPD Loan" shall mean those certain construction and permanent loans made by HPD to finance the Project as more particularly described in the Commitment Letter.

"HPD Mortgage" shall mean those certain construction and permanent loan mortgages to be made by Sponsor, as mortgagor, in favor of CitiBank, as mortgage, or HPD, as applicable, to finance the Project as more particularly described in the Commitment Letter.

"Legal Rent" shall have the meaning ascribed to such term in Paragraph 4A of this Agreement.

"Marketing Handbook" shall mean the "Marketing Handbook: Policies and Procedures for Resident Selection and Occupancy" adopted by HPD and New York City Housing Development Corporation and published on the HPD website, as amended.

"MIH Restrictive Declaration" shall mean that certain Restrictive Declaration by and among HDFC and Borrower dated as of the date hereof, which Restrictive Declaration is intended to be recorded against the Premises immediately following execution and delivery thereof.

"MIH Unit" shall mean a Unit which shall be permanently affordable in accordance with the MIH Restrictive Declaration and as more particularly described in Schedule B annexed hereto and made apart hereof.

"Non-Permanently Affordable Unit" shall mean all Units that are not MIH Units or Permanently Affordable Units.

"Non-Tax Credit Units" shall mean Units in the Premises that are not Tax Credit Units.

"Occupancy Date" shall mean the date on which a temporary certificate of occupancy has been obtained for the Premises.

"Operating Reserve" shall have the meaning ascribed to such term in Paragraph 10E(ii) of this Agreement.

"Our Space Reserve" shall have the meaning ascribed to such term in Paragraph 10E(iii) of this Agreement.

"Permanent Conversion Date" shall mean a date no later than October 1, 2023, which date may be extended for up to two additional six (6) month periods as more particularly described in the Commitment Letter.

"Permanently Affordable Units" shall mean the One (1) of the Homeless Non-HAP Units, One (1) of the Homeless HAP Units, one (1) of the 30% AMI Units, one (1) of the 40% AMI Units, one (1) of the 50% AMI Units, one (1) of the 60% AMI Units, one (1) of the 70% AMI Units, and (1) of the 80% AMI Units as designated on Schedule B.

"Permanent Restriction Period" shall mean the period commencing upon the Compliance Commencement Date and continuing in perpetuity.

"Rental Assistance" shall mean rental subsidies provided through Section 8, or any similar rental subsidy program approved by HPD in their sole discretion. For purposes of this Agreement, Rental Assistance shall not include any Shelter Allowance payments.

"Rental Assistance Rent" shall mean the maximum rent eligible to be subsidized under the applicable Rental Assistance. The Rental Assistance Rent for a unit that is occupied by a tenant with a rental assistance voucher is the maximum eligible payment standard authorized by the government agency issuing the voucher. The Rental Assistance Rent for a unit that is covered by the HAP Contract is the contract rent that is authorized by the government agency issuing the project based rental assistance.

"Rental Assistance Unit" shall mean any Unit that received Rental Assistance.

"Rent Stabilization Code" or "Rent Stabilization" shall mean Title 26, Chapter 4 of the New York City Administrative Code (and any successor statute) and the regulations promulgated in connection therewith.

"Residential Replacement Reserve" shall have the meaning ascribed to such term in Paragraph 10E(i) of this Agreement.

"Restriction Period" shall have the meaning ascribed to such term in Paragraph 2 of this Agreement.

"Section 8" shall mean a federal rental subsidy pursuant to either the Section 8 Voucher Program or the Section 8 Certificate Program, the Section 8 Project Based Program, or any successor programs.

"Section 8 Rent" shall mean the maximum rent permitted under Section 8.

"Section 8 Units" shall mean units (a) occupied by tenants receiving a voucher or certificate under Section 8, or (b) subject to the HAP Contract.

"Social Services Contract" shall mean that certain social services contract entered into by the Sponsor and the organization providing social services to the Eligible Homeless Tenants with the consent of HPD prior to the Permanent Conversion Date.

"Social Services Plan" shall mean that certain social services plan agreed to in writing by the Sponsor and HPD prior to the Permanent Conversion Date.

"Tax Credit Income Maximum" shall mean maximum Annual Income set forth under the Act for eligibility for tax credits.

"Tax Credit Unit" shall mean those Units designated as Tax Credit Units in accordance with the distribution of Units set forth in Exhibit B annexed hereto.

"Units" shall mean dwelling units in the Premises.

"Vacant Units" shall mean those Units, which were vacant at the time that the Project was Placed in Service (as such term is defined in the Act) (not including Units whose tenants are temporarily relocated) or become vacant thereafter.

2. **Term of Restrictions.** The "Restriction Period" shall be the period commencing on the date hereof and terminating on the date which is sixty (60) years after the Permanent Conversion Date, except (i) as to the Permanently Affordable Units for which the 'Restriction Period' shall be the Permanent Restriction Period or (ii) as otherwise expressly set forth herein.

3. **Eligibility of Tenants**

A. **Eligibility.** Throughout the Restriction Period, Sponsor shall lease not less than

- (i) fifteen (15) Units only to tenants whose Annual Incomes upon such tenant's initial occupancy do not exceed 30% of AMI of which 8 are Homeless HAP Units and 1 is a Homeless Non HAP Unit ("30% Units"); and
- (ii) Seven (7) Units only to tenant whose Annual Incomes upon such tenant's initial occupancy do not exceed 40% of AMI ("40% Units"); and
- (iii) Seven (7) Units only to tenants whose Annual Incomes upon such tenant's initial occupancy do not exceed 50% of AMI ("50% Units"); and

- (iv) Seven (7) Units only to tenants whose Annual Incomes upon such tenant's initial occupancy do not exceed 60% of AMI ("60% Units"); and
 - (v) Six (6) Units only to tenants whose Annual Incomes upon such tenant's initial occupancy do not exceed 70% of AMI ("70% Units"); and
 - (vi) Six (6) Units only to tenants whose Annual Incomes upon such tenant's initial occupancy do not exceed 80% of AMI ("80% Units"); and
 - (vii) Three (3) Units only to tenants whose Annual Incomes upon such tenant's initial occupancy do not exceed 100% of AMI ("100% Units").
- B. Changes in Income. Any Eligible Tenant shall be entitled to remain in occupancy and to obtain a renewal lease in accordance with the Rent Stabilization Code, notwithstanding that such tenant's Annual Income, after initial occupancy, may exceed the maximum for initial eligibility. Further, no Eligible Tenant may be evicted nor its tenancy terminated except for good cause. If the Annual Income of a tenant of a Tax Credit Unit increases to 40% greater than the Tax Credit Income Maximum, Sponsor shall lease the next available vacant Non-Tax Credit Unit (if any) of equal or lesser size to a tenant whose Annual Income does not exceed the Tax Credit Income Maximum. Notwithstanding the foregoing, in the event that the Condominium (defined below) is formed, from and after the date of such formation, if the Annual Income of a tenant of a Tax Credit Unit increases to 40% greater than the Tax Credit Income Maximum, Sponsor shall lease the next available vacant Unit (if any) located in the LIHTC Condo (defined below) of equal or lesser size to a tenant whose Annual Income does not exceed the Tax Credit Income Maximum.
- C. Income Determinations. In order to determine whether a prospective tenant of a Unit is an Eligible Tenant, Sponsor shall ascertain the Annual Income of such tenant's household. Sponsor may consult with HPD to obtain advice and guidance with respect to income determinations. Sponsor must retain all records and documents relating to Sponsor's determination for a minimum of three (3) years after the date the tenant commences occupancy. Sponsor shall provide in each lease for the termination of the lease and eviction of the tenant if the tenant falsely or fraudulently certifies income to Sponsor.
- D. Proof of Compliance. Sponsor shall submit to HPD or to HPD's designee (i) on an annual basis, a certified rent roll for the Premises and (ii) an annual written certification that the Tax Credit Units are owned and operated in compliance with the provisions of the Act and any regulations promulgated thereunder. In addition, at HPD's request, or at HPD's designee's request, Sponsor shall make available to HPD or HPD's designee for review leases and rent documentation, all tenant income certifications and supporting documentation for such income determination, and any other documentation required by HPD or HPD's designee to determine compliance with the Act and with the terms of this Agreement.
- E. Section 8. Sponsor shall not refuse to lease a Unit to (i) a holder of (i) a voucher or certificate under the federal Section 8 Voucher Program or Section 8 Certificate Program or successor programs by reason of the status of the prospective tenant as

such a holder or (ii) the recipient of any rental assistance from the federal, state or local government.

- F. Disability Set-Asides. The Sponsor shall ensure that a minimum of 5% of the units, or one unit, whichever is greater, is accessible and set aside for households with a person with a mobility disability. The Sponsor shall ensure that an additional minimum of 2% of the units, or one unit, whichever is greater, is accessible and set aside for households with a person with a hearing or vision disability.
- G. Inclusionary Units. In accordance with the MIH Restrictive Declaration and as delineated in Schedule B, 13 of the Tax Credit Units shall be permanently affordable (the "Inclusionary Units").

4. **Rent Requirements.**

- A. Registration in Accordance With Rent Stabilization Code.
On or before the Occupancy Date, Sponsor shall register the rents for each Unit in accordance with the Rent Stabilization Code at the rents set forth in Exhibit B annexed hereto.

The rents so registered shall be deemed the initial legal regulated Rent Stabilization Code rents. Sponsor shall follow all procedures and guidelines of the New York State Division of Housing and Community Renewal (or its successor agency with jurisdiction over enforcing the Rent Stabilization Code) and all relevant requirements of the Rent Stabilization. As hereinafter referred to in this Agreement, the "Legal Rent" shall mean the initial legal registered rents as adjusted pursuant to the Rent Stabilization Code.

- B. Rents Charged. Throughout the Restriction Period, the rents for the Units shall not exceed the following:

(i) Actual Rents for Tax Credit Units:

(a) Initial Rents: The initial Actual Rent for a Tax Code Unit that is not a Rental Assistance Unit shall not exceed the least of:

- 1) the Legal Rent (as set forth in Schedule B);
- 2) the initial Actual Rent set forth in Schedule B; and
- 3) 30% of the Applicable AMI Limit (adjusted for a monthly rent).

If the unit is a Rental Assistance Unit, the initial Actual Rent shall not exceed the least of:

- 1) the Legal Rent (as set forth in Schedule B);
- 2) the Rental Assistance Rent; and
- 3) for Rental Assistance Units that are not Homeless Units, 90% of FMR, or for Rental Assistance Units that are Homeless Units, 108% of FMR.

If the unit is a Homeless Unit that is not a Rental Assistance Unit, the initial Actual Rent shall not exceed the least of:

- 1) the Legal Rent (as set forth in Schedule B);
- 2) 30% of 30% of AMI (adjusted for a monthly rent);
- 3) if the tenant receives Shelter Allowance, the Shelter Allowance.

(b) Lease Renewal. Upon lease renewal for a Tax Code Unit that is not a Rental Assistance Unit, the new Actual Rent shall not exceed the least of:

- 1) the Legal Rent;
- 2) the prior Actual Rent increased as permitted by Rent Stabilization (as limited by this Agreement); and
- 3) 30% of the Applicable AMI Limit (adjusted for a monthly rent).

If the unit is a Rental Assistance Unit, the Actual Rent upon lease renewal shall not exceed the least of:

- 1) the Legal Rent;
- 2) the Rental Assistance Rent; and
- 3) for Rental Assistance Units that are not Homeless Units, 90% of FMR, or for Rental Assistance Units that are Homeless Units, 108% of FMR.

If the unit is a Homeless Unit that is not a Rental Assistance Unit, the Actual Rent upon lease renewal shall not exceed the least of:

- 1) the Legal Rent (as set forth in Schedule B);
- 2) the prior Actual Rent increased as permitted by Rent Stabilization (as limited by this Agreement); and
- 3) if the tenant receives Shelter Allowance, the Shelter Allowance.

(c) Vacancy. Upon vacancy of a Tax Code Unit that is not a Rental Assistance Unit, the Actual Rent for the new Eligible Tenant shall not exceed the lesser of:

- 1) the Legal Rent; and
- 2) 30% of the Applicable AMI Limit (adjusted for a monthly rent).

If the unit is a Rental Assistance Unit, the Actual Rent upon vacancy shall not exceed the least of:

- 1) the Legal Rent;
- 2) the Rental Assistance Rent; and
- 3) for Rental Assistance Units that are not Homeless Units, 90% of FMR, or for Rental Assistance Units that are Homeless Units, 108%

of FMR.

If the unit is a Homeless Unit that is not a Rental Assistance Unit, the Actual Rent for the new Eligible Tenant shall not exceed the least of:

- 1) the Legal Rent (as set forth in Schedule B);
- 2) 30% of 30% of AMI (adjusted for a monthly rent); and
- 3) if the tenant receives Shelter Allowance, the Shelter Allowance.

At the initial rent-up of the Units, the Actual Rents shall not exceed the amounts set forth in Exhibit B annexed hereto.

(ii) Actual Rents for Non-Tax Credit Units:

(a) Initial Rent-Up: At initial rent-up, the Actual Rent for a Non-Tax Credit Unit shall not exceed the least of:

- 1) the Legal Rent (as set forth in in Schedule B hereto); and
- 2) the initial Actual Rent for the Unit set forth in in Schedule B hereto.

(b) Lease Renewal: Upon lease renewal for a Non-Tax Credit Unit the Sponsor may only increase the Actual Rent to the least of:

- 1) the Legal Rent;
- 2) the prior Actual Rent increased as permitted by Rent Stabilization; and
- 3) 30% of 90% of AMI (adjusted for a monthly rent).

(c) Vacancy: Upon vacancy of a Non-Tax Credit Unit the Actual Rent for the new Eligible Tenant shall not exceed the lesser of:

- 1) the Legal Rent; and
- 2) 30% of 90% of AMI (adjusted for a monthly rent).

C. No Rent Stabilization Exemptions.

Sponsor shall not utilize any exemption or exclusion from any requirement of the Rent Stabilization Code to which Sponsor might otherwise be or become entitled with respect to one or more Units, including, but not limited to, any exemption or exclusion from the rent limits, renewal lease requirements, registration requirements, or other provisions of the Rent Stabilization Code due to (i) the vacancy of a Unit where the rent exceeds a prescribed maximum amount, (ii) the fact that tenant income and/or rent exceeds prescribed maximum amounts, (iii) the nature of the tenant, or (iv) any other factor.

D. Additional Requirements for Rental Assistance Units.

i. Tenant's Loss of Rental Assistance.

- a. If a Rental Assistance tenant is occupying a Tax Credit Unit that is not a Homeless Unit and the tenant loses Rental Assistance at any time, then the

Sponsor shall immediately revise the tenant's Actual Rent to an amount that does not exceed the maximum amount that may be collected under the Tax Code and this Agreement.

- b. If a Rental Assistance tenant is occupying a Homeless Unit and the tenant loses Rental Assistance at any time, and the tenant receives Shelter Allowance, then Sponsor shall immediately revise the tenant's Actual Rent to an amount equal to such Shelter Allowance. If such tenant does not receive Shelter Allowance, then the Sponsor shall immediately revise the tenant's Actual Rent to an amount that does not exceed the lesser of (x) 30% of the household's Annual Income (adjusted for a monthly rent) (but in no event less than the amounts set forth on Schedule B-2 (adjusted for the number of bedrooms)) and (y) 30% of 30% of AMI (adjusted for a monthly rent).
- ii. Vacancy; No New Rental Assistance. Upon vacancy of a Tax Credit Unit that had been occupied by a tenant with Rental Assistance, if the next tenant identified for the unit does not have Rental Assistance, but the tenant is an Eligible Tenant for a Tax Credit Unit, then the Sponsor shall set the Actual Rent for the new tenant in accordance with Section 4B ("Rents Charged"), and to an amount that does not exceed the maximum amount that may be collected under the Tax Code. The Sponsor shall register this revised Actual Rent as the new preferential rent for the unit.

5. Eligible Homeless Tenants

Sponsor shall lease at least nine (9) Units in the Premises only to Eligible Homeless Tenants for a period commencing on the Permanent Conversion Date and expiring on the later of (a) sixty (60) years, or (b) the expiration of the HAP Contract ("Homeless Unit Term"). All Units occupied by Eligible Homeless Tenants and their families at any time (whether currently or prospectively) shall be re-rented to Eligible Homeless Tenants and their families upon vacancy during the Homeless Unit Term. The distribution of Eligible Homeless Units shall be as set forth in Section 3.E above and more particularly in Schedule B annexed hereto.

Social Services Plan and Contract. Prior to the initial rent-up of the Units, the Owner shall submit to HPD and obtain HPD approval of a Social Services Plan and a Social Service Contract implementing the Social Services Plan. Owner shall cause the Social Service Contract to be implemented on a continuous basis. Any amendments to the Social Services Plan and Social Services Contract shall require HPD written consent.

6. Minimum Household Size

The minimum number of occupants for each Unit shall be as follows:

Unit Size	Minimum Number of Persons
0BR	1
1BR	1
2BR	2

7. INTENTIONALLY OMITTED

8. Units Subject To Several Restrictions.

In the event of any conflict or ambiguity between the provisions of this Agreement , and the MIH Restrictive Declaration, and that certain Low-Income Housing Credit Regulatory Agreement between New York State Division of Housing and Community Renewal and Sponsor dated as of the date hereof and intended to be submitted to the City Register's Office for recording therein ("HCR Regulatory Agreement"), the more restrictive of the applicable provisions of this Agreement, the MIH Restrictive Declaration, and the HCR Regulatory Agreement shall control.

9. Prohibition Against Condominium or Cooperative Conversions

Sponsor shall not convert the Project to cooperative or condominium ownership during the Restriction Period, except as otherwise expressly provided herein. Any conversion after the Restriction Period must conform to State and City laws and must be on the basis of a non-eviction plan.

10. Management.

A. General.

- (i) Sponsor shall manage and operate the Premises in accordance with generally acceptable management practices in New York City.
- (ii) On or before the Occupancy Date, Sponsor shall enter into a management contract with Phipps Neighborhood Housing Services, Inc., or a third party management entity, which contract and management entity shall both be subject to HPD approval. Such contract shall have a term of not less than three (3) years. The management fee shall not exceed 7% of net rent collection, including rent from rental subsidies but excluding rent from commercial units or the community facility space. Any new or replacement management entity shall be subject to HPD approval.
- (iii) Sponsor shall be in default of this Paragraph 10(A) if HPD gives provides written notice to Sponsor of such violation and Sponsor has failed to cure such violation within ninety (90) days of such notice.

B. Maintenance of Premises. Sponsor shall maintain and operate the Premises in a proper, safe, sanitary and healthful condition in compliance with all applicable legal requirements, and to make all necessary repairs and replacements, including curing all housing and building code violations in the time period prescribed by law.

C. Municipal Charges. Sponsor shall pay all municipal charges in a timely manner, including taxes, assessments (and installments of any assessments that are payable in installments), water rates, sewer rents, and other charges, including without limitation, vault charges and fees for the use of vaults, chutes, and similar areas adjoining the Premises, now or hereafter levied or assessed against the Premises prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof. Upon HPD request, Sponsor shall provide HPD with evidence of payment of Charges.

D. Insurance.

(i) Sponsor shall keep the buildings, improvements and all other property on the Premises insured by procuring general liability and building policies providing sufficient coverage issued by an insurance company licensed in the State of New York against fire, vandalism, malicious mischief, collapse, flood (if in a federally designated flood area), earthquakes and other risks customarily insured against under extended coverage policies in the City of New York. Sponsor shall provide HPD on an annual basis with copies of insurance certificates in form satisfactory to HPD evidencing compliance with such requirements.

(ii) Sponsor shall maintain Commercial General Liability insurance in the amount of at least One Million Dollars (\$1,000,000) per occurrence. In the event such insurance contains an aggregate limit, the aggregate shall apply on a per-location basis applicable to the Premises and such per-location aggregate shall be at least Two Million Dollars (\$2,000,000). This insurance shall protect the insureds from claims for property damage and/or bodily injury, including death, that may arise from any of the operations under this Agreement. Coverage shall be at least as broad as that provided by the most recently issued Insurance Services Office ("ISO") Form CG 0001, shall contain no exclusions other than as required by law or as approved by the Commissioner, and shall be "occurrence" based rather than "claims-made." Policies providing such insurance may not include any endorsements excluding coverage relating to the emission of asbestos, lead, mold, or pollutants. Such Commercial General Liability insurance shall name the City of New York, together with its officials and employees, as an Additional Insured with coverage at least as broad as the most recent edition of ISO Form CG 2026.

E. Reserves. Sponsor shall establish and maintain the following reserve accounts during the Restriction Period (collectively, "Reserve Accounts"):

(i) Residential Replacement Reserve Account ("Residential Replacement Reserve") into which Sponsor shall deposit, (a) on or prior to the Permanent Conversion Date, an amount equal to \$52,000.00 and (b) an annual deposit of \$15,600.00 (\$300 per unit per year), which amount shall be escalated by 3% annually thereafter. Monies in the Residential Replacement Reserve shall be kept segregated from other monies of the Sponsor and may be drawn on, upon the consent of HCR (in addition to any other approvals that Sponsor must obtain pursuant to Sponsor's transaction documents pertaining to the Project), and used to pay for the cost of capital improvements and/or for extraordinary increases in building maintenance and operating expenses beyond the control of the Sponsor. The Replacement Reserve Account will be held by an institution acceptable to HPD in its sole discretion. HPD must approve any withdrawal from the Replacement Reserve account;

(ii) Operating Reserve Account ("Operating Reserve") into which Sponsor shall deposit, on or prior to the Permanent Conversion Date, an amount equal to \$312,552.00. Monies in the Operating Reserve shall be kept segregated from other monies of the Sponsor. The Operating Reserve will be held an institution acceptable to HPD in its sole discretion. HPD must approve any withdrawal from the Operating Reserve (in addition to any other approvals that Sponsor must obtain pursuant to Sponsor's transaction documents pertaining to the Project).

(iii) Our Space Reserve Fund ("Our Space Reserve") into which Sponsor shall deposit an amount equal to a \$475,000, upon the Conversion Date. The Sponsor may deduct from the initial deposit any amount previously advanced to the Sponsor by the Construction Servicing Agent, as servicer of the HPD Loan, prior to the Permanent Conversion and under the social services reserve line item in the Project's budget in order to implement the Social Services Plan and to furnish Homeless Units. Amounts advanced prior to the Permanent Conversion to implement the Social Services Plan shall not exceed \$67,500 and amounts advanced to furnish Homeless Units shall not exceed \$25,000, which amount shall be equally distributed among all Homeless Units based on the number of rooms. Monies in the Our Space Reserve shall be kept segregated from other monies of the Sponsor and may be drawn on, upon the consent of HPD, and used to pay for the cost of social services offered to tenants occupying the Homeless Units (defined in the Special Conditions section below) based on a Social Service Plan which must be submitted to HPD for review and approval prior to construction completion.

The Sponsor may withdraw funds from the Our Space Reserve to implement the approved Social Services Plan and Social Services Contract. At the end of the Restriction Period, any remaining funds in the Social Services Reserve must stay with the Project.

(iv) Upon the later of (i) Owner's sale, transfer, conveyance or other disposition of the Project, (ii) the satisfaction of the HPD Loan, or (iii) the expiration of the Restriction Period, the entire outstanding balance in the Reserve shall be utilized by Owner in the following priority:

First, to pay any outstanding taxes, charges or other amounts owed to the City other than the HPD Loan;

Second, to pay into a new replacement reserve account or any other reserve as required by HPD;

Third, to pay all accrued unpaid interest on, and the unpaid principal balance of, the HPD Loan; and

Fourth, at Owner's request, with HPD's approval, to repay any loan(s) approved and provided by HPD or to satisfy the operating reserve targets for any affordable housing project owned by Owner or its affiliates.

- F. Service and Maintenance Contracts. Sponsor shall only enter into service and maintenance contracts with qualified vendors at commercially reasonable and customary fees.
- G. Renting Vacant Units. Sponsor shall use all commercially reasonable efforts to re-rent vacated units as soon as possible, and shall notify the HPD Assistant Commissioner of the Division of Asset Management or its successor if any units remain vacant for six (6) months.
- H. Building Registration. Sponsor shall register the Premises with HPD pursuant to Article 2 of Subchapter 4 of the New York City Housing Maintenance Code.

11. **Books, Records and Certifications**

- A. **Maintenance of Books and Records.** Sponsor shall keep and maintain full and accurate books and records regarding maintenance, operation and management of the Premises and comply with customary financial and other reporting requirements, and shall permit HPD to review, examine and audit such books and records at all reasonable hours. Sponsor shall submit to HPD such reports and information as HPD may require. Said books and records shall be retained by Sponsor for six (6) years after the expiration of the Restriction Period. Upon ten (10) days' written notice from HPD, Sponsor, including any of its members, officers, directors, employees or agents, shall submit under oath, to an oral examination by authorized representative(s) of HPD concerning any or all matters relating to the Premises and shall produce for examination, review and/or audit by HPD all or such books and records, including, without limitation, journals, ledgers, accounts, check books, canceled vouchers, contracts, correspondence, stock book and minute book, as such notice may specify. Such notice shall specify the time and place of examination.
- B. **Audited Financial Reports.** Sponsor shall submit to HPD annually, no later than 90 days of the project's fiscal year, in such forms as shall be approved by HPD, (i) a copy of the audited annual financial report which shall include a statement of the income and expenses of the Premises, a balance sheet, a statement of cash flows, and accompanying notes and schedules; (ii) a certified rent roll; and (iii) proof of insurance.
- C. **Budget.** Sponsor shall submit to HPD annually, commencing on the first anniversary date of this Agreement and on each anniversary date thereafter, a budget for the following year showing anticipated income and expenses for the Premises.
- D. **Additional Submissions.** Sponsor shall submit to HPD in a timely manner such additional reports and information requested by HPD, including, but not limited to, bank statements, tenant income records for all existing tenants and all tenants who vacated within the previous three (3) years, , rent collection reports, vacancy information, management expense reports, receipts evidencing proof of payments, portfolio information, and organizational charts.

11. **Right To Inspect.** HPD and its officers, employees, agents or inspectors shall have the right to enter and inspect the Premises at all reasonable times without prior notice.

12. **Prohibition Against Conveyances, Leasing, and Loans**

- (a) Sponsor shall not, without the prior written approval of HPD, (i) further encumber the Premises with any lien imposed in connection with any other financing except the construction and permanent financing provided by CitiBank as more particularly described in the Commitment Letter, or (ii) permit the Premises or any part thereof or any interest therein to be sold, transferred or conveyed to any other person or entity or (iii) sell, transfer or convey the Premises or any part thereof or any interest therein, which shall include, but not be limited to, (x) where Sponsor is a business corporation (i) the sale or transfer of more than forty-nine percent (49%) of the outstanding shares of the corporation, or (ii) the dilution of present stockholding or corporate control by issuance of new or treasury stock or by conversion of any non-voting stock or other securities to voting stock, or (y) where Sponsor is a partnership, the withdrawal (except by death), resignation or retirement, of any general partner, or the appointment of any new, or other, or substitute general

partner(s) (provided that the foregoing shall not apply to limited partners), or (z) where Sponsor is a limited liability company, the withdrawal (except by death), resignation or retirement, of any member other than a passive investor member, or the appointment of any new, or other, or substitute member or members other than passive investor members. Notwithstanding anything to the contrary contained herein or the LDA, provided that HPD receives at least five (5) days prior written notice from the Borrower of such transfer or transfers, a transfer of limited partner interest in the Borrower by Brook 156 Holdings, Inc. ("Limited Partner") to USA Brook 156 LLC, as the replacement limited partner of Borrower ("Replacement LP"), and admission of Richman Group Capital Corporation, as special limited partner, pursuant to the terms of the Put Agreement by and among Limited Partner, HDFC, and Replacement LP, shall not require the prior written approval of HPD.

- (b) Sponsor shall not, without the prior written consent of HPD:
 - (i) lease or license all or substantially all of the Premises to any party or
 - (ii) lease any community space in the Premises to any affiliate, subsidiary or principal of Sponsor, or lease any community space in the Premises for less than the prevailing market rent for the neighborhood where the Premises are located.
- (c) Sponsor shall not, without the prior written consent of HPD, use any of the operating income or reserves for the Premises to make loans for any purpose (whether secured or unsecured or whether repayable or forgivable) to any affiliate, subsidiary or principal of Sponsor or to any third party.

13. **Amendments**

Except as otherwise set forth herein, this Agreement may only be amended by HPD and Sponsor by an instrument executed by both parties in recordable form.

14. **Enforcement**

- (a) In the event of a breach of any of the covenants and agreements contained herein, the City shall have the right to one or more of the following:
 - (i) Institute and prosecute any proceeding for an injunction or for specific performance of Sponsor's obligations hereunder.
 - (ii) Extend the term of this Agreement by the period of such noncompliance upon the recording an appropriate document, executed solely by the City, against the Property. The period of noncompliance shall be presumed to be the period running from the date of this Agreement to the date that HPD notifies the Sponsor of such noncompliance, which presumption may be rebutted by Sponsor.
 - (iii) Upon written notice of HPD, prohibit HDFC or Borrower and/or any of its principals from doing business with HPD for a period of not less than three (3) years from the date of violation. Such prohibition shall not extend to as-of-right benefits the HDFC or Borrower and/or any of its principals may receive from HPD.

- (iv) Upon a violation of Paragraph 10(E) or any reserve requirement established by any other agreement or document between HPD and Sponsor with respect to the Premises, HPD may require Sponsor to establish the Reserve in a bank account governed by a deposit agreement with the bank which restricts withdrawals therefrom without an authorized signatory of HPD approving such withdrawal. Provided, however, that the foregoing provision shall not apply during any period where Sponsor has established and maintains the building reserve fund in accordance with the requirements of any institutional lender.
- (b) In the event of a threatened breach of any of the covenants and agreements contained herein, the City shall have the right to the remedy described in 15(a)(i) above.

HPD, in its sole and absolute discretion, may, in writing, (i) give Sponsor a period of up to thirty (30) days to cure the violation, provided the violation can be cured without affecting the rights of any bona fide tenants who have executed leases with Sponsor, or (ii) waive any of the provisions of this paragraph. No such waiver shall be effective unless it is in writing. Further, no delay or waiver in enforcing the provisions hereof as to any violation shall impair, damage or waive the right of the City to enforce this Agreement in the event of a continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time.

15. **Investigations**

Sponsor is bound by the provisions of the Investigation Clause Addendum attached hereto as Exhibit C and made a part hereof.

16. **Binding Nature of Restrictions**

This Agreement shall be recorded against the fee Interest in the Office of the City Register for the county in which the Premises is located. The restrictions set forth in this Agreement shall run with the land and bind Sponsor, Sponsor's successors, assigns, heirs, grantees, and lessees. All references to "Sponsor" in this Agreement shall include Sponsor's successors, assigns, heirs, grantees, or lessees.

17. **Notices**

All notices shall be delivered by certified or registered mail, return receipt requested, to the respective parties hereto, at the addresses at first above written, unless such addresses are otherwise modified in writing by the addressee.

18. **Expiration** Except as otherwise provided herein, upon the expiration of the Restriction Period, this Agreement shall be of no further force and effect; provided, however, that HPD shall retain all of its rights and remedies to enforce this Agreement with respect to any default or violation which occurred prior to the expiration of the Restriction Period. HPD shall, if requested by Sponsor, execute and deliver to Sponsor a document in recordable form to reflect the expiration of this Agreement. **Notwithstanding the foregoing or anything to the contrary contained in this Agreement, the Restriction Period shall last in perpetuity as it pertains to Permanently Affordable Units.**

19. **Devotion of Premises to Residential Use.**

The Premises shall be devoted solely to residential use, except as otherwise expressly set forth herein.

20. **Compliance with HireNYC.** Sponsor shall, and shall cause the general contractor and all applicable subcontractors to, comply with the requirements of HireNYC as more particularly set forth in the HireNYC Rider attached hereto as Exhibit D and made part hereof, as may be modified by the City from time to time.
21. **HPD Marketing Guidelines.** Sponsor shall submit to HPD a plan for the marketing of the Units in accordance and consistent with the Marketing Handbook (the "Marketing Plan") and, upon approval thereof, shall market the Units in accordance with the Marketing Plan and Marketing Handbook.
22. **Building Benchmarking.** Upon issuance of a temporary certificate of occupancy by the New York City Department of Buildings, Sponsor shall contract, at Sponsor's expense, with a qualified benchmarking software provider (the "Qualified Software Provider") from the Housing Development Corporation (HDC) Qualified Benchmarking Software Provider list (the "Approved Provider List") to collect monthly and annual data on the heating, electric and water usage (the "Utility Performance Information") on the Premises in accordance with Section 2: Basic Framework of the HPD Benchmarking Protocol, a copy of which has been provided to Sponsor. Not later than May 1 of each subsequent year of the Restriction Period, the Qualified Software Provider retained by Sponsor shall input the Utility Performance Information for the immediately preceding year into the United States Environmental Protection Agency ENERGY STAR Portfolio Manager ("Portfolio Manager"), or such other system as may be designated by HPD.

Sponsor agrees and acknowledges that (i) the Utility Performance Information will be made available to HPD through the "NYC Affordable Housing" account located on Portfolio Manager and (ii) HPD may receive the Utility Performance Information directly from the Qualified Software Provider. HPD reserves the right to replace the Qualified Software Provider in the event that such provider ceases to be included on the Approved Provider List. Throughout the Restriction Period, Sponsor shall at all times abide by the terms and conditions set forth in this Paragraph 22 and in the HPD Benchmarking Protocol, as may be amended from time to time.

23. **Primary Residence.** Units may only be occupied as a primary residence, as defined in Rent Stabilization, by natural persons or families pursuant to a one or two year lease who have met the applicable income requirements for Eligible Tenants at the time of such tenant's initial occupancy of such unit. Sponsor shall only offer a vacant dwelling unit for occupancy by persons or families intending to occupy such unit as their primary residence pursuant to a one or two year lease and shall not cause or permit the sublease or assignment of any dwelling unit for transient occupancy, for occupancy by any household that is not income eligible, or to any corporation or other entity.

24. **Contractual Rent Regulation**

A. Definitions.

"Destabilization" shall mean any set of facts that causes Rent Stabilization to no longer apply to the Units subject to this Agreement, whether by expiration, legislative repeal, judicial invalidation, or any other reason.

"Contractual Rent Regulation" shall mean the following after Destabilization:

- (a) Sponsor shall be required to offer renewal leases on the same terms and conditions as had been required by Rent Stabilization at the time of Destabilization (subject however to the provisions in subparagraphs (b) and (c) below), as if the Unit was still subject to and not excluded or exempted from any provision of Rent Stabilization, including, but not limited to, any exemption or exclusion regarding rent limits, renewal lease requirements, or any other provision due to (i) the vacancy of a Unit where the rent exceeds a prescribed maximum amount, (ii) the fact that tenant income and/or Unit rent exceed prescribed maximum amounts, (iii) the nature of the tenant, or (iv) any other factor.
- (b) The "Legal Rent," as such term is used in this Agreement, shall be limited by percentage increases calculated based on a method or index established by HPD for determining the maximum increase to Legal Rent upon lease renewal or vacancy. Such method or index shall be based on inflation or on factors substantially equivalent to the factors considered in calculating such increases under Rent Stabilization at the time of Destabilization, and shall incorporate a method for determining and implementing increases to Legal Rent by reason of major capital improvements performed by Sponsor, to the extent that such increases, if any, are not prohibited hereunder. HPD will publish such methodology in the City Record and will provide a copy of the methodology to Sponsor upon request.
- (c) Wherever this Agreement limits increases in rent by increases as permitted by Rent Stabilization (or language of similar import), such increases shall be limited by the percentage increases established by HPD as described in subparagraph (b) above.

B. If Destabilization occurs during the Restriction Period (or, with respect to the Permanently Affordable Units, during the Permanent Restriction Period), then for the remainder of the Restriction Period (or, with respect to the Permanently Affordable Units, during the Permanent Restriction Period), all Units that have undergone Destabilization shall be subject to Contractual Rent Regulation. If some Units remain subject to Rent Stabilization while other Units have undergone Destabilization, Contractual Rent Regulation will only apply to the Units that have undergone Destabilization.

26. **Funding of Reserve Accounts.** The Reserve Accounts required pursuant to Paragraph 10(E) of this Agreement shall be established and funded according to the procedures set forth in a Reserves Agreement to be executed by Sponsor and The Bank of New York

Mellon Trust Company, N.A. upon the prior written consent of HPD before the Permanent Conversion Date.

27. **Negative Declaration.** Sponsor shall comply with the requirements of that certain Negative Declaration dated October 10, 2019 attached hereto as Exhibit E and made part hereof.
28. **Tax Credit Compliance.** Notwithstanding anything to the contrary contained herein, the Tax Credit Units shall be subject to the requirements of Section 42 of the Internal Revenue Code and this Agreement for a period commencing on the first day of the compliance period (as defined in subsection (i)(1) of Section 42) and terminating on the sixtieth (60th) anniversary of such date.
29. **Additional Restrictions.** Throughout the Extended Use Period, the Project shall be subject to the Additional Restrictions set forth in Exhibit F.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, HPD and Sponsor has duly executed this Regulatory Agreement
the day and year first above written

**THE CITY OF NEW YORK, acting by and through its DEPARTMENT
OF HOUSING PRESERVATION AND DEVELOPMENT**

By: _____

Name: Jennifer Jacobs Guzmán

Title: Chief of Staff, New Construction
Division

**BROOK 156 ASSOCIATES, L.P.,
a New York limited partnership**

By: Brook 156 Management Corp.,
a New York corporation
its General Partner

By: _____

Name: Michael Wadman

Title: Vice President

**BROOK 156 HOUSING DEVELOPMENT FUND
CORPORATION,
a New York not-for-profit corporation**

By: _____

Name: Michael Wadman

Title: Vice President

APPROVED AS TO FORM
BY STANDARD TYPE OF CLASS
OCTOBER 31, 2020

By: /s/ Amrita Barth
Acting Corporation Counsel


IN WITNESS WHEREOF, HPD and Sponsor has duly executed this Regulatory Agreement
the day and year first above written

THE CITY OF NEW YORK, acting by and through its DEPARTMENT
OF HOUSING PRESERVATION AND DEVELOPMENT


By: _____
Name: Jennifer Jacobs-Guzman
Title: Chief of Staff

BROOK 156 ASSOCIATES, L.P.,
a New York limited partnership

By: Brook 156 Management Corp. a
New York corporation
its General Partner

By:  _____
Name: Michael Wadman
Title: Vice President

BROOK 156 HOUSING DEVELOPMENT FUND
CORPORATION,
a New York not-for-profit corporation

By:  _____
Name: Michael Wadman
Title: Vice President

APPROVED AS TO FORM
BY STANDARD TYPE OF CLASS
OCTOBER 31, 2020

By: /s/ Amrita Barth
Acting Corporation Counsel

STATE OF NEW YORK)
WESTCHESTER) SS.:
COUNTY OF ~~NEW YORK~~)

On the 30 day of September, in the year 2020, before me, the undersigned, a notary public in and for said state, personally appeared Jennifer Jacobs Guzmán, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

Adanna Ferguson-Bell
NOTARY PUBLIC

ADANNA FERGUSON-BELL
NOTARY PUBLIC STATE OF NEW YORK

No.01FE6376017

Qualified in Kings County

My Commission Expires 06-04-2022

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this _____ day of September, 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael Wadman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC


STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of September, in the year 2020, before me, the undersigned, a notary public in and for said state, personally appeared Jennifer Jacobs-Guzman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this 21 day of September, 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael Wadman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.



NOTARY PUBLIC

GILL BENEDEK Notary Public, State of New York Registration #02BE6322972 Qualified In Kings County Commission Expires April 20, <u>23</u>

EXHIBIT A
PREMISES DESCRIPTION

All those certain plots, pieces and parcels of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Bronx, in the City and State of New York, designated as:

<u>Block(s)</u>	<u>Lot(s)</u>	<u>Address</u>
2360	1	East 156 Street
2360	3	740 Brook Avenue a/k/a 501 East 156 Street

County: Bronx

Schedule B
Rent Schedule

(see next page)

DISTRIBUTION OF UNITS AND INITIAL RENTS

Project: Brook 156
501 East 156th Street
(a/k/a) 740 Brook Avenue
Bronx, New York 10455

The Project shall contain 52 units in total, including one rent-free Superintendent Unit.

Note: The applicable utility allowance is deducted from the Legal Rents and Actual Rents set forth in this Schedule B (i.e., they are "net" rents), except in the case of the Legal Rents for units occupied initially by tenants with Rental Assistance vouchers or certificates, which are based on the FMR percentages given with no deduction for the utility allowance.

Tax Credit Units

30% of AMI Units --- Homeless Non-HAP Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$215 (Shelter Rent)
One Bedroom	1	\$2,060 (100% AMI)	\$283 (Shelter Rent)
Two Bedroom	0	\$2,467 (100% AMI)	\$425 (Shelter Rent)
Three Bedroom	0	\$2,841 (100% AMI)	\$512 (Shelter Rent)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 30% of AMI

30% of AMI Units --- Homeless HAP Units --- Non-Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	2	\$1,934 (118% FMR)	\$1,768 (108% FMR)
One Bedroom	2	\$1,985 (118% FMR)	\$1,813 (108% FMR)
Two Bedroom	2	\$2,248 (118% FMR)	\$2,053 (108% FMR)
Three Bedroom	1	\$2,851 (118% FMR)	\$2,604 (108% FMR)
TOTAL	7		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 30% of AMI

30% of AMI Units --- Homeless HAP Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,934 (118% FMR)	\$1,768 (108% FMR)
One Bedroom	1	\$1,985 (118% FMR)	\$1,813 (108% FMR)
Two Bedroom	0	\$2,248 (118% FMR)	\$2,053 (108% FMR)
Three Bedroom	<u>0</u>	\$2,851 (118% FMR)	\$2,604 (108% FMR)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 30% of AMI

30% of AMI Units --- Non-Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	3	\$1,643 (100% AMI)	\$397 (27% AMI)
One Bedroom	1	\$2,060 (100% AMI)	\$503 (27% AMI)
Two Bedroom	1	\$2,467 (100% AMI)	\$598 (27% AMI)
Three Bedroom	<u>0</u>	\$2,841 (100% AMI)	\$683 (27% AMI)
TOTAL	5		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 30% of AMI

30% of AMI Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$397 (27% AMI)
One Bedroom	0	\$2,060 (100% AMI)	\$503 (27% AMI)
Two Bedroom	1	\$2,467 (100% AMI)	\$598 (27% AMI)
Three Bedroom	<u>0</u>	\$2,841 (100% AMI)	\$683 (27% AMI)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 30% of AMI

40% of AMI Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$567 (37% AMI)
One Bedroom	1	\$2,060 (100% AMI)	\$717 (37% AMI)
Two Bedroom	0	\$2,467 (100% AMI)	\$854 (37% AMI)
Three Bedroom	<u>0</u>	\$2,841 (100% AMI)	\$978 (37% AMI)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 40% of AMI

40% of AMI Units --- MIH Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	2	\$619 (40% AMI)	\$567 (37% AMI)
One Bedroom	1	\$781 (40% AMI)	\$717 (37% AMI)
Two Bedroom	2	\$931 (40% AMI)	\$854 (37% AMI)
Three Bedroom	<u>1</u>	\$1,067 (40% AMI)	\$978 (37% AMI)
TOTAL	6		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 40% of AMI

50% of AMI Units --- Non-Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$738 (47% AMI)
One Bedroom	2	\$2,060 (100% AMI)	\$930 (47% AMI)
Two Bedroom	0	\$2,467 (100% AMI)	\$1,110 (47% AMI)
Three Bedroom	<u>0</u>	\$2,841 (100% AMI)	\$1,274 (47% AMI)
TOTAL	2		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 50% of AMI

50% of AMI Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	1	\$1,643 (100% AMI)	\$738 (47% AMI)
One Bedroom	0	\$2,060 (100% AMI)	\$930 (47% AMI)
Two Bedroom	0	\$2,467 (100% AMI)	\$1,110 (47% AMI)
Three Bedroom	<u>0</u>	\$2,841 (100% AMI)	\$1,274 (47% AMI)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 50% of AMI

50% of AMI Units --- MIH Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$960 (60% AMI)	\$738 (47% AMI)
One Bedroom	1	\$1,207 (60% AMI)	\$930 (47% AMI)
Two Bedroom	2	\$1,443 (60% AMI)	\$1,110 (47% AMI)
Three Bedroom	<u>1</u>	\$1,658 (60% AMI)	\$1,274 (47% AMI)
TOTAL	4		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 50% of AMI

60% of AMI Units --- Non-Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	1	\$1,643 (100% AMI)	\$909 (57% AMI)
One Bedroom	3	\$2,060 (100% AMI)	\$1,143 (57% AMI)
Two Bedroom	1	\$2,467 (100% AMI)	\$1,366 (57% AMI)
Three Bedroom	<u>1</u>	\$2,841 (100% AMI)	\$1,570 (57% AMI)
TOTAL	6		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 60% of AMI

60% of AMI Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$909 (57% AMI)
One Bedroom	0	\$2,060 (100% AMI)	\$1,143 (57% AMI)
Two Bedroom	0	\$2,467 (100% AMI)	\$1,366 (57% AMI)
Three Bedroom	<u>1</u>	\$2,841 (100% AMI)	\$1,570 (57% AMI)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 60% of AMI

70% of AMI Units --- Non-Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$1,080 (67% AMI)
One Bedroom	0	\$2,060 (100% AMI)	\$1,356 (67% AMI)
Two Bedroom	1	\$2,467 (100% AMI)	\$1,622 (67% AMI)
Three Bedroom	<u>1</u>	\$2,841 (100% AMI)	\$1,865 (67% AMI)
TOTAL	2		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 70% of AMI

70% of AMI Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	1	\$1,643 (100% AMI)	\$1,080 (67% AMI)
One Bedroom	0	\$2,060 (100% AMI)	\$1,356 (67% AMI)
Two Bedroom	0	\$2,467 (100% AMI)	\$1,622 (67% AMI)
Three Bedroom	0	\$2,841 (100% AMI)	\$1,865 (67% AMI)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 70% of AMI

70% of AMI Units --- MIH Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,302 (80% AMI)	\$1,080 (67% AMI)
One Bedroom	2	\$1,634 (80% AMI)	\$1,356 (67% AMI)
Two Bedroom	1	\$1,955 (80% AMI)	\$1,622 (67% AMI)
Three Bedroom	0	\$2,250 (80% AMI)	\$1,865 (67% AMI)
TOTAL	3		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 70% of AMI

80% of AMI Units --- Non-Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	1	\$1,643 (100% AMI)	\$1,250 (77% AMI)
One Bedroom	2	\$2,060 (100% AMI)	\$1,570 (77% AMI)
Two Bedroom	1	\$2,467 (100% AMI)	\$1,878 (77% AMI)
Three Bedroom	1	\$2,841 (100% AMI)	\$2,161 (77% AMI)
TOTAL	5		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 80% of AMI

80% of AMI Units --- Permanently Affordable Units

<u>Size</u>	<u>No. of Units.</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,643 (100% AMI)	\$1,250 (77% AMI)
One Bedroom	0	\$2,060 (100% AMI)	\$1,570 (77% AMI)
Two Bedroom	1	\$2,467 (100% AMI)	\$1,878 (77% AMI)
Three Bedroom	0	\$2,841 (100% AMI)	\$2,161 (77% AMI)
TOTAL	1		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 80% of AMI

Non-Tax Credit Units**100% of AMI Units --- Non-Permanently Affordable Units**

<u>Size</u>	<u>No. of Units</u>	<u>Legal Rent (initial rent-up)</u>	<u>Actual Rent (initial rent-up)</u>
Studio	0	\$1,814 (110% AMI)	\$1,472 (90% AMI)
One Bedroom	2	\$2,273 (110% AMI)	\$1,847 (90% AMI)
Two Bedroom	0	\$2,723 (110% AMI)	\$2,211 (90% AMI)
Three Bedroom	1	\$3,136 (110% AMI)	\$2,545 (90% AMI)
TOTAL	3		

*Notwithstanding anything to the contrary contained herein, the Applicable AMI Limit is 90% of AMI

Note: The specific MIH Units are also identified in Exhibit C to the Mandatory Inclusionary Housing Restrictive Declaration by and among the Sponsor and HPD, as may be amended

Rent Increases at Initial Rent-Up

In certain circumstances, Legal Rents and Actual Rents specified in this Schedule B may be increased at initial rent-up with the prior written consent of HPD and HCR (and at the sole discretion of HPD and HCR). In the case of any increase, the parties shall amend this Agreement at the Permanent Conversion to document Schedule B as modified.

Re-Registration Upon End of Occupancy Restriction Period

Notwithstanding anything to the contrary in this Agreement, upon the first lease (renewal or vacancy) of a unit after the end of the Occupancy Restriction Period, if the Legal Rent for the unit is higher than the Applicable AMI Limit that had applied to the unit during the Occupancy Restriction Period, the Sponsor shall re-register the Legal Rent for the unit under Rent Stabilization to an amount that does not exceed such Applicable AMI Limit (as determined at the time of the effectiveness of the renewal or vacancy lease) plus, with respect to any such renewal or vacancy lease, any other increases allowed by Rent Stabilization. The foregoing requirement shall not apply to a renewal lease for a Rental Assistance Unit. If, at such time, this Agreement requires the Sponsor to offer an Actual Rent for the unit that is lower than this newly established Legal Rent, the Sponsor shall register any such Actual Rent as a preferential rent under Rent Stabilization.

SCHEDULE B-2

Shelter Rent

Unit Size	Amount
Studio	\$215
1-Bedroom	\$283
2-Bedroom	\$425
3-Bedroom	\$512

Exhibit C
Investigation Clause

- (a) The parties to this Agreement agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (State) or City of New York (City) governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contracts, lease, permit, or license that is the subject of the investigation, audit or inquiry.
- (b) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or;
- (c) If any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then;
- (d) The commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.
- (e) If any non-governmental party to the hearing requests an adjournment, the commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to paragraph (g) below without the City incurring any penalty or damages for delay or otherwise.
- (f) The penalties which may attach after a final determination by the commissioner or agency head may include but shall not exceed:
 - (1) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was

sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and /or

- (2) The cancellation or termination of any and all such existing City contracts, leases, permit, or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; moneys lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

- (g) The commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs (1) and (2) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs (3) and (4) below in addition to any other information which may be relevant and appropriate:

- (1) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.
- (2) The relationship of the person who refuses to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.
- (3) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.
- (4) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under (f) above, provided that the party or entity has given actual notice to the commissioner or agency head upon the acquisition of the interest, or at the hearing called for in (d) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

(h)

- (1) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.

- (2) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.
- (3) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives moneys, benefits, licenses, leases, or permits from or through the city or otherwise transacts business with the City.
- (4) The term "member" as used herein shall be defined as any person in association with another person or entity as a partner, officer, principal or employee.

(i) In addition to and notwithstanding any other provisions of this Agreement the Commissioner or agency head may in his or her sole discretion terminate this Agreement upon not less than three (3) days written notice in the in the event the contractor fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this Agreement by the Contractor, or affecting the performance of this Agreement.

Exhibit D
HireNYC

The following HireNYC Rider applies to the Sponsor, the general contractor, and all subcontractors for the project with contracts of \$500,000 or more and shall be included in the construction contract with the general contractor and all such subcontractors. All references to "Covered Party(ies)" shall be deemed to apply to the Sponsor, the general contractor, and all such subcontractors responsible for job posting during the project, as described below.

HIRING AND EMPLOYMENT RIDER

Introduction

This Rider addresses the HireNYC process, including reporting obligations under the HireNYC process, and certain other reporting requirements imposed by law. In general, the HireNYC process under this Rider requires Covered Parties to enroll with the HireNYC portal for the City of New York (the "City") found within the Department of Small Business Services' ("SBS") website, to disclose all new entry to mid-level job opportunities (as defined below) that are created by the project and located in New York City, ("Covered Jobs") and to evaluate or interview qualified candidates from HireNYC for Covered Jobs. Entry to mid-level jobs shall mean jobs requiring no more than an associate degree, as provided by the New York State Department of Labor (see Column F of <https://labor.ny.gov/stats/2012-2022-NYS-Employment-Prospects.xls>).

A. Enrollment

Each Covered Party must be enrolled with the HireNYC system, found at nyc.gov/hirenyc. The Sponsor and general contractor shall each enroll within thirty (30) days after the date of construction closing. Subcontractors must be enrolled by the earlier of (i) fifteen (15) days after the full execution of its subcontract or (ii) the start of work under such subcontract

The Sponsor or general contractor shall engage with SBS to create a project work plan that details the planned subcontracting engagements and any expected hiring needs. The work plan should include information such as projected start dates for subcontractors, the anticipated schedule of initiating the hiring process for any positions they might hire for, and contact information for all Covered Parties.

The Sponsor and general contractor may designate a project coordinator to act as the main contact for the Covered Parties with regard to the matters contained in this Rider. The role of the project coordinator will be to manage the administrative enrollment requirements of subcontractors and to facilitate communication between the Covered Parties and SBS.

B. Recruitment Requirements

Once enrolled in HireNYC, the Covered Parties shall update the HireNYC portal with a list of all Covered Jobs as they become known. The Covered Parties or project coordinator must request candidates through the HireNYC portal to fill any Covered Jobs no less than three weeks prior to the intended first day of employment for each new position, or as otherwise negotiated with SBS, whose consent will not be unreasonably withheld, and must also update the HireNYC portal as set forth below. If an employee is needed in an unexpected situation to keep a project on schedule, the Covered Party must notify SBS of this need and if SBS is not able to refer a candidate within three (3) business days, the Covered Party may proceed without further consideration.

After enrollment and submission of relevant information through the HireNYC portal by Covered Parties or the project coordinator, SBS will work directly with the hiring manager for each Covered Party to develop a recruitment strategy for Covered Jobs. HireNYC will screen applicants based on employer requirements and refer qualified applicants to the appropriate Covered Party for evaluation or interviews. The Covered Parties must evaluate or interview referred applicants whom it believes are qualified. These requirements do not limit the Covered Party's ability to work with community partners who may also refer candidates for job opportunities, to assess the qualifications of prospective workers, or to make final hiring and retention decisions. No provision of this Rider shall be interpreted so as to require a Covered Party to employ any particular worker or to limit consideration to the prospective employees referred by HireNYC.

In addition, this Rider shall not apply to positions that a Covered Party intends to fill with employees employed pursuant to the job retention provision of Section 22-505 of the Administrative Code of the City of New York or to positions covered by Collective Bargaining Agreements or Project Labor Agreements. Covered Parties shall not be required to report such openings with HireNYC. However, Covered Parties shall enroll with the HireNYC system pursuant to Section A, above, and, if such positions subsequently become open, then the remaining provisions of this Rider will apply.

C. Reporting Requirements

After completing an evaluation or interview of a candidate referred by HireNYC, the Covered Party or project coordinator must provide feedback via the portal to indicate which candidates were evaluated or interviewed and hired, if any. For any individual hired through HireNYC, the Covered Party or project coordinator shall provide the expected start date, wage, and hours expected to work. The Covered Party or project coordinator shall provide such information on a monthly basis through the HireNYC portal for any candidates referred by HireNYC that are evaluated, interviewed and/or hired in a particular month.

In the event a Covered Party does not have any Covered Jobs in any given year, the Covered Party or project coordinator shall be required to provide an annual update to HireNYC to that effect. For this purpose, the reporting year shall run from the date of the registration of the contract and each anniversary date.

Covered Parties or the project coordinator shall report to the City all information reasonably requested by the City that is necessary for the City to comply with any reporting requirements imposed by law or rule. In addition, Covered Parties shall comply with all reporting requirements imposed by law or rule, or as otherwise requested by the City.

D. Audit Compliance

Covered Parties shall permit the New York City Department of Housing Preservation and Development ("HPD") to inspect any and all records concerning or relating to job openings or the hiring of individuals for Covered Jobs. Covered Parties shall retain all such records for one (1) year from the date of contract completion and shall permit an inspection by HPD within seven (7) business days of the request.

E. Other Hiring Requirements

Covered Parties shall comply with all federal, state, and/or local hiring requirements as may be set forth elsewhere in this Agreement or other project documents.

Exhibit E
Negative Declaration

Part III: DETERMINATION OF SIGNIFICANCE (To Be Completed by Lead Agency)

INSTRUCTIONS: In completing Part III, the lead agency should consult 6 NYCRR 617.7 and 43 RCNY § 6-06 (Executive Order 91 or 1977, as amended), which contain the State and City criteria for determining significance.

1. For each of the impact categories listed below, consider whether the project may have a significant adverse effect on the environment, taking into account its (a) location; (b) probability of occurring; (c) duration; (d) irreversibility; (e) geographic scope; and (f) magnitude.

**Potentially
Significant
Adverse Impact**

IMPACT CATEGORY

Land Use, Zoning, and Public Policy

Socioeconomic Conditions

Community Facilities and Services

Open Space

Shadows

Historic and Cultural Resources

Urban Design/Visual Resources

Natural Resources

Hazardous Materials

Water and Sewer Infrastructure

Solid Waste and Sanitation Services

Energy

Transportation

Air Quality

Greenhouse Gas Emissions

Noise

Public Health

Neighborhood Character

Construction

2. Are there any aspects of the project relevant to the determination of whether the project may have a significant impact on the environment, such as combined or cumulative impacts, that were not fully covered by other responses and supporting materials?

If there are such impacts, attach an explanation stating whether, as a result of them, the project may have a significant impact on the environment.

3. Check determination to be issued by the lead agency:

- ☐ **Positive Declaration:** If the lead agency has determined that the project may have a significant impact on the environment, and if a Conditional Negative Declaration is not appropriate, then the lead agency issues a *Positive Declaration* and prepares a draft Scope of Work for the Environmental Impact Statement (EIS).
- ☐ **Conditional Negative Declaration:** A *Conditional Negative Declaration* (CND) may be appropriate if there is a private applicant for an Unlisted action AND when conditions imposed by the lead agency will modify the proposed project so that no significant adverse environmental impacts would result. The CND is prepared as a separate document and is subject to the requirements of 6 NYCRR Part 617.
- ☒ **Negative Declaration:** If the lead agency has determined that the project would not result in potentially significant adverse environmental impacts, then the lead agency issues a *Negative Declaration*. The *Negative Declaration* may be prepared as a separate document (see template) or using the embedded Negative Declaration on the next page.

4. LEAD AGENCY'S CERTIFICATION

TITLE

Director of Environmental Planning

LEAD AGENCY

City of New York- Department of Housing Preservation and Development

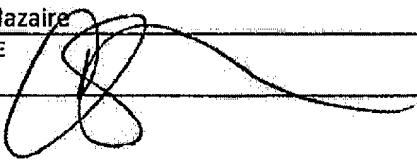
NAME

Callista Nazaire

DATE

10/10/2019

SIGNATURE



NEGATIVE DECLARATION (Use of this form is optional)**Statement of No Significant Effect**

Pursuant to Executive Order 91 of 1977, as amended, and the Rules of Procedure for City Environmental Quality Review, found at Title 62, Chapter 5 of the Rules of the City of New York and 6 NYCRR, Part 617, State Environmental Quality Review, City of New York- Department of Housing Preservation and Development assumed the role of lead agency for the environmental review of the proposed project. Based on a review of information about the project contained in this environmental assessment statement and any attachments hereto, which are incorporated by reference herein, the lead agency has determined that the proposed project would not have a significant adverse impact on the environment.

Reasons Supporting this Determination

The above determination is based on information contained in this EAS, which finds that the proposed project: Brook 156 (CEQR No. 19HPD011X) would not result in any significant impacts.

The proposal involves an application by HPD, on behalf of the project sponsor, Phipps Houses, for several discretionary actions subject to City Planning Commission (CPC) approval (the "proposed actions") including: disposition of city-owned property, zoning map amendment, zoning text amendment, and a zoning special permit. The actions subject to CPC approval are described further below. The project sponsor would also seek construction financing through HPD's Extremely Low and Low-Income Affordability (ELLA) program at a later date. The ELLA program funds new construction of low-income multi-family rental projects affordable to households earning a range of incomes from 30 percent to 80 percent of Area Median Income (AMI), with 5 units set aside for homeless individuals.

The proposed actions would facilitate the development of a new residential building containing affordable housing (the "proposed project") in the Melrose neighborhood of the Bronx, Community District 1. The project site is located at the northeastern corner of Brook Avenue and East 156th Street (Block 2360, lots 1 and 3), bounded by East 157th Street to the north, the Melrose Court Condominium complex to the east, East 156th Street to the south, and Brook Avenue to the west. Lot 3 is city-owned and measures approximately 1,780 square feet, and is a former railroad right-of-way. Lot 1 is privately owned and measures approximately 5,658 square feet. Both lots are currently vacant. Under the proposal, Lot 3 will be conveyed to the project sponsor and developed with a new 9-story mixed use building containing 55 dwellings units. The proposed project will also include 1,119 square feet of community facility space.

The proposed Zoning Map amendment seeks to change the existing R7-2 zoning district to a C6-2 zoning district, which would function as an extension of the C6-2 zoning district immediately to the south of the project site. The current R7-2 residential district would permit a maximum 4.0 FAR for residential uses on the project site. The C6-2 commercial district is equivalent to an R8 residential district, which has a maximum FAR of 7.2 with Inclusionary Housing (6.02 without). HPD proposes a Zoning Text Amendment to designate the Project Site as a Mandatory Inclusionary Housing Area ("MIHA") by adding the area to the maps of Mandatory Inclusionary Housing Areas in Appendix F of the Zoning Resolution. A MIHA requires permanently affordable housing within new residential development, enlargements, and conversions from non-residential to residential use within a mapped MIHA. Under the proposed C6-2 (R8 equivalent), the total floor area of the proposed project will be approximately 59,526 square feet, including approximately 58,407 square feet of residential floor area and 1,119 square feet of community facility space. Pursuant to the provisions of Mandatory Inclusionary Housing, the proposed project will be permitted a total FAR of 7.2. The total FAR of the development will be 6.32. HPD also seeks a Special Permit pursuant to ZR §74-681 to allow development over a railroad right of way. According to the Environmental Assessment Statement (EAS), the proposed project would be constructed in a single phase and is expected to be completed and operational in 2022. Absent the requested funding, the existing conditions on the project site are expected to remain.

The Project sponsor entered into the New York State Department of Environmental Conservation's (NYSDEC) Brownfield Cleanup Program (BCP) in January 2015 to address remediation on the development site. The BCP requires NYSDEC's oversight in the preparation of a Remedial Investigation Report (RIR) and Remedial Action Work Plan (RAWP) prior to the issuance of a NYSDEC Decision Document. Construction in accordance with NYSDEC's approvals would be required through the Land Disposition Agreement (LDA) between the project sponsor and HPD for the development site. Should the project sponsor withdraw from the Brownfield Cleanup Program at any point prior to the closing on the disposition and construction financing with HPD and the start of construction of the Proposed Project, the review of testing and remediation planning would fall under the jurisdiction of the New York City Department of Environmental Protection (DEP). DEP oversight and approval of the investigation and planned activities would be required in writing prior to the closing on the disposition and construction financing with HPD, and construction in accordance with DEP approvals would be required through the LDA between HPD and the Project Sponsor.

THIS NEGATIVE DECLARATION SUPERSEDES THE NEGATIVE DECLARATION DATED 11/28/2018.

No other significant effects upon the environment that would require the preparation of a Draft Environmental Impact Statement are foreseeable. This Negative Declaration has been prepared in accordance with Article 8 of the New York

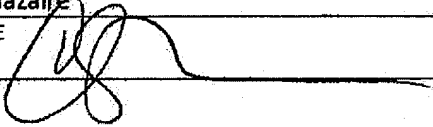
State Environmental Conservation Law (SEQRA).	
TITLE Director of Environmental Planning	LEAD AGENCY City of New York- Department of Housing Preservation and Development
NAME Callista Nazaire	DATE 10/10/2019
SIGNATURE 	

Exhibit F
Additional Restrictions

(none)

ATTACHMENT E
NYSDEC RIDER TO BCA AMENDMENT #1

Rider to BCA Amendment #1 to Document a Tangible Property Tax Credit Determination

Site Name: Brook 156

Site Number: C203078

1- The Department has determined that the Site is eligible for tangible property tax credits pursuant to ECL § 27-1407(1-a) because the Site is located in a City having a population of one million or more and:

- ☒ At least half of the site area is located in an environmental zone as defined in section twenty-one of the tax law
- ☐ The property is upside down, as defined by ECL 27-1405 (31)
- ☐ The property is underutilized, as defined by 375-3.2(l).
- ☐ The project is an affordable housing project, as defined by 375-3.2(a).

2- The Site is located in a City having a population of one million or more and the Applicant:

☐ Has not requested a determination that the Site is eligible for tangible property tax credits. It is therefore presumed that the Site is not eligible for tangible property tax credits. In accordance with ECL § 27-1407(1-a), the Applicant may request an eligibility determination for tangible property tax credits at any time from application until the site receives a certificate of completion except for sites seeking eligibility under the underutilized category.

☐ Requested a determination that the Site is eligible for tangible property tax credits and pursuant to ECL § 27-1407(1-a), the Department has determined that the Site is not eligible for tangible property tax credits because the Applicant has not submitted documentation sufficient to demonstrate that at least one of the following conditions exists: at least half of the site area is located in an environmental zone as defined in section twenty-one of the tax law, the property is upside down, the property is underutilized, or the project is an affordable housing project. In accordance with ECL § 27-1407(1-a), the Applicant may request an eligibility determination for tangible property tax credits at any time from application until the site receives a certificate of completion except for sites seeking eligibility under the underutilized category.

3- For sites statewide, where applicable:

☐ In accordance with ECL § 27-1407(1-a), based on data submitted with the application the Department has determined the Site is not eligible for tangible property tax credits because the contamination in ground water and/or soil vapor is solely emanating from property other than the Site.

☐ The remedial investigation or other data generated during the remedial program the Department has identified an on-site source of contamination, which now makes this site eligible for tangible property tax credits.

☐ The Department has determined that the Site or a portion of the Site has previously been remediated pursuant to Article 27, Title 9, 13 or 14] of the ECL, Article 12 of the Navigation Law or Article 56, Title 5 of the ECL. Therefore, in accordance with ECL § 27-1407(1-a), the Site is not eligible for tangible property tax credits.

THIS RIDER TO AN AMENDMENT TO THE BCA ESTABLISHING ELIGIBILITY
FOR TANGIBLE PROPERTY TAX CREDITS IS HEREBY
APPROVED, Acting by and Through the Department of
Environmental Conservation as Designee of the Commissioner,

By:



08/24/20

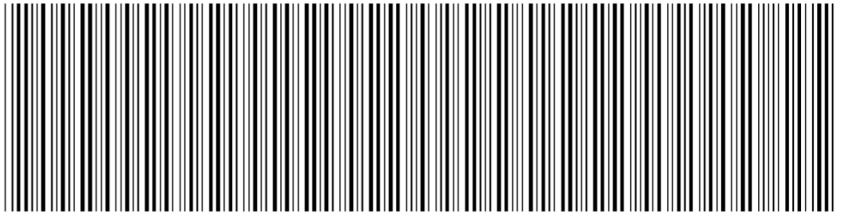
Michael J. Ryan, P.E.
Director
Division of Environmental Remediation

Date

ATTACHMENT F
LOT 3 DEED

**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.



2020101401031004003EEE34

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 26

Document ID: 2020101401031004

Document Date: 10-01-2020

Preparation Date: 10-23-2020

Document Type: DEED

Document Page Count: 24

PRESENTER:

CHICAGO TITLE INSURANCE CO. (PICK-UP)
711 THIRD AVE, 5TH FLOOR
CT18-00821-BX CB
NEW YORK, NY 10017
212-880-1200
CTINYRECORDING@CTT.COM

RETURN TO:

JOSHUA D. BLOODWORTH ESQ
DEPARTMENT OF HOUSING PRESERVATION AND
DEVELOPMENT
OFFICE OF LEGAL AFFAIRS 100 GOLD STREET RM
5-Q5
NEW YORK, NY 10038

Borough	Block	Lot	Unit	Address
BRONX	2360	3	Entire Lot	740 BROOK AVENUE
Property Type: RESIDENTIAL VACANT LAND				

CROSS REFERENCE DATA

CRFN _____ or DocumentID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

GRANTOR/SELLER:

THE CITY OF NEW YORK
100 GOLD STREET
NEW YORK, NY 10038

GRANTEE/BUYER:

BROOK 156 HOUSING DEVELOPMENT FUND
CORPORATION
C/O: PHIPPS HOUSES, 902 BROADWAY, 13TH FLOOR
NEW YORK, NY 10010

☒ Additional Parties Listed on Continuation Page

FEES AND TAXES

Mortgage :

Mortgage Amount:	\$	0.00
Taxable Mortgage Amount:	\$	0.00
Exemption:		
TAXES: County (Basic):	\$	0.00
City (Additional):	\$	0.00
Spec (Additional):	\$	0.00
TASF:	\$	0.00
MTA:	\$	0.00
NYCTA:	\$	0.00
Additional MRT:	\$	0.00
TOTAL:	\$	0.00
Recording Fee:	\$	157.00
Affidavit Fee:	\$	0.00

Filing Fee:

	\$	250.00
NYC Real Property Transfer Tax:	\$	0.00
NYS Real Estate Transfer Tax:	\$	0.00

**RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE**



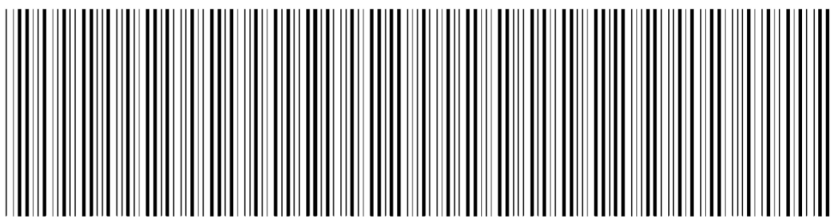
CITY OF NEW YORK

Recorded/Filed 10-27-2020 11:38
City Register File No.(CRFN):
2020000298852

Annette McMill

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2020101401031004003CECB4

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION)

PAGE 2 OF 26

Document ID: 2020101401031004

Document Date: 10-01-2020

Preparation Date: 10-23-2020

Document Type: DEED

PARTIES

GRANTOR/SELLER:

DEPARTMENT OF HOUSING PRESERVATION AND
DEVELOPMENT
100 GOLD STREET
NEW YORK, NY 10038

2

0118-00021-BX

24pp

DEED

THE CITY OF NEW YORK

TO

BROOK 156 HOUSING DEVELOPMENT FUND CORPORATION

<u>Block(s)</u>	<u>Lot(s)</u>	<u>Address(es)</u>
2360	3	740 Brook Avenue a/k/a 501 East 156 Street

County: Bronx

RECORD AND RETURN TO:

Joshua D. Bloodworth, Esq.
Department of Housing Preservation
and Development
Office of Legal Affairs
100 Gold Street, Room 5-Q5
New York, New York 10038

(4)

EXECUTIVE VERSION

THIS DEED ("Deed"), entered into as of the 1st day of October, 2020, by and between **THE CITY OF NEW YORK**, a municipal corporation formed pursuant to the laws of the State of New York, having its principal office at City Hall, New York, New York 10007 ("City"), acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having its principal office at 100 Gold Street, New York, New York 10038 ("HPD"), as Grantor, and **BROOK 156 HOUSING DEVELOPMENT FUND CORPORATION**, a New York not-for-profit corporation, formed pursuant to Article XI of the Private Housing Finance Law, having an office at c/o Phipps Houses, 902 Broadway, 13th Floor, New York, New York 10010 ("Sponsor"), as Grantee.

WHEREAS, the City is the owner of certain real property, consisting of all those plots, pieces, or parcels of real property situated, lying, and being in the City and State of New York, as more particularly described in Exhibit A annexed hereto and made a part hereof ("Land"), and all buildings and improvements situated on the Land ("Improvements"); and

WHEREAS, the present condition of the Land and Improvements (collectively, "Disposition Area") tends to impair or arrest the sound growth and development of the municipality; and

WHEREAS, the City desires to encourage the redevelopment of deteriorated City-owned properties and to promote the development of affordable housing; and

WHEREAS, the Disposition Area is eligible to be conveyed pursuant to Article 11 of the Private Housing Finance Law ("PHFL"); and

WHEREAS, the City is undertaking the development of the Disposition Area ("Project"), as such Project is more fully described in a certain Land Disposition Agreement ("LDA") and Regulatory Agreement ("Regulatory Agreement") between the City, Sponsor and Brook 156 Associates, L.P., a New York limited partnership ("Beneficial Owner") of even date herewith; and

WHEREAS, HPD has prepared the Project Summary ("Project Summary") annexed to the LDA for the development of the Project; and

WHEREAS, HPD has designated Sponsor as a qualified and eligible Sponsor of the Project; and

WHEREAS, the parties contemplate that the Disposition Area will be developed with subsidy assistance pursuant to Article 15 of the Private Housing Finance Law ("PHFL") and that the Sponsor and the Project shall be subject thereby to the requirements of the PHFL and the Extremely Low and Low Income Affordability Program; and

WHEREAS, on June 26, 2019, by Resolution No. 984, a copy of which is annexed hereto as Exhibit C and made a part hereof, the Council, having held a public hearing following notice of the date, time, place, and purpose of such hearing approved the disposition of the Disposition Area pursuant to Section 576-a(2) of the PHFL; and

WHEREAS, on July 19, 2019, by the document annexed hereto as Exhibit D and made a part hereof, the Mayor, having held a public hearing following notice of the date, time, place, and purpose of such hearing, (i) approved the designation of Sponsor as a qualified and eligible Sponsor, (ii) approved the sale of the Disposition Area by the City to Sponsor pursuant to Section 576-a(2) of the PHFL, and (iii) approved the LDA;

WHEREAS, Sponsor proposes to purchase the Disposition Area from the City upon the terms and conditions set forth in the LDA and to undertake the redevelopment of the Disposition Area in accordance with the Project Summary, which redevelopment shall accomplish the construction and development of the Project; and

WHEREAS, Sponsor intends to enter into a declaration of interest and nominee agreement with the Beneficial Owner, effective as of the date hereof;

WHEREAS, any capitalized terms not defined herein shall have the meanings ascribed to them in the LDA.

NOW THEREFORE, the City, in consideration of the sum of ONE DOLLARS (\$1) paid by Sponsor, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and release the Disposition Area unto Sponsor, its successors and assigns forever, subject only to the restrictions set forth or referred to herein.

TO HAVE AND TO HOLD the Disposition Area herein granted unto Sponsor, its successors and assigns forever, as follows:

1. Conveyance.

- A. Title. The City hereby conveys to Sponsor, and Sponsor accepts from the City, all right, title, and interest of the City in and to the Disposition Area, subject to, without limitation, the trust fund provisions of Section 13 of the Lien Law and all terms, covenants, and conditions of this Deed, the LDA, and the Regulatory Agreement.
- B. "As Is" Condition. Sponsor accepts the Disposition Area in its "as is" condition on the date ("Closing Date") of delivery of this Deed to Sponsor ("Closing"). The City has not made any representations or warranties regarding the condition of the Disposition Area and neither has nor had any obligation to undertake demolition, site clearance, or site preparation. The City neither represents nor warrants any facts regarding such condition, including, but not limited to, that it will be suitable for the Project. Sponsor represents and warrants that Sponsor has inspected the Disposition Area and is fully familiar with its condition.

2. Revesting.

A. Revesting.

- 1. Default. Until the issuance of a Certificate of Completion for the entire Project pursuant to Section 201.B of the LDA, the occurrence of any of the following shall constitute an event of default ("Default"):
 - a. Failure to commence Construction on or before the Commencement Date;
 - b. Failure to perform the Construction in accordance with the Approved Plans;

- c. Abandonment or substantial suspension of Construction before the Completion Date;
- d. Failure to both (i) complete ninety five percent (95%) of the value of Construction on or before the Completion Date in accordance with the Approved Plans, as such percentage and compliance are determined by HPD, and (ii) obtain a temporary or permanent Certificate of Occupancy on or before the Completion Date for all of the improvements on the Disposition Area;
- e. Any Prohibited Transfer without the prior written consent of HPD; and
- f. Any default or event of default under a nominee agreement which remains uncured beyond the applicable cure period.

2. Cure.

- a. Upon the occurrence of any Default, HPD shall give written notice of such Default ("Default Notice") to Sponsor and to any Holder which has previously requested such Default Notice in writing.
- b. Sponsor and any Holder shall be permitted thirty (30) days from the date of any Default Notice ("Cure Period") to cure such Default to the satisfaction of HPD ("Cure").
- c. If HPD, in its sole discretion, determines in writing that the nature of the Default makes it impossible to complete a Cure within the Cure Period, the Default Notice shall state such determination and shall specify such longer period ("Extended Cure Period") to effectuate a Cure as HPD, in its sole discretion, shall determine; provided, however, that such Extended Cure Period shall end not later than ninety (90) days after the Completion Date. Sponsor or any Holder shall be permitted to commence the Cure of such Default and to thereafter diligently and continuously pursue the Cure of such Default during the Extended Cure Period until such Default shall be completely Cured.
- d. Any Default which is Cured within the Cure Period or, if applicable, any Extended Cure Period, shall be deemed to be a Cured Default ("Cured Default"). Any Default which is not Cured within the Cure Period or, if applicable, any Extended Cure Period, shall be deemed to be an uncured Default ("Uncured Default").
- e. If, after the issuance of a Default Notice, such Default is Cured within the Cure Period or, if applicable, any Extended Cure Period, HPD shall issue, within thirty (30) days after receipt of a written request therefor by Sponsor or any Holder, a written notice ("Cure Notice") (i) certifying that such Default is a Cured Default, (ii) certifying that such Cured Default will not result in an exercise of the City's rights pursuant to this Section 2, and (iii) reserving the

right of the City to exercise its rights pursuant to this Section 2 for any other or future Default; provided, however, that the failure to explicitly reserve any right in the Cure Notice shall not result in the waiver of any such right.

- f. In the event of any Uncured Default, the City may, at its sole option, exercise the City's rights pursuant to Section 2.A.3.

- 3. Revesting. If any Uncured Default shall occur prior to the issuance of a Certificate of Completion for the entire Project pursuant to Section 201.B of the LDA, the City may, subject to the laws of the State of New York, re-enter and take possession of the Disposition Area and terminate and re-vest in the City the estate conveyed to Sponsor, in which event all right, title, and interest of Sponsor in and to the Disposition Area shall revert to the City. Upon the issuance of a Certificate of Completion for the entire Project pursuant to Section 201.B of the LDA, the City's rights pursuant to this Section 2.A shall terminate. Upon the issuance of a Certificate of Completion for a portion of the Project pursuant to Section 201.B of the LDA, the City's right to re-vest that portion of the Project pursuant to this Section 2.A shall terminate.

4. Subordination.

- a. Notwithstanding the provisions of this Section 2.A, any revesting of title in the City pursuant to the terms of this Deed or the LDA shall be subject to and limited by, and shall not defeat, render invalid, or limit in any way (i) the lien of any mortgage ("Mortgage") held by a Holder which is authorized by the LDA, or (ii) any rights or interests provided in the LDA for the protection of the Holder of such Mortgage.
- b. Upon the request of Sponsor, the City shall deliver to the Holder at the Closing an instrument in recordable form, whereby the City's rights and interests and Sponsor's covenants under this Deed and the LDA (except for the provisions of Section 202 of the LDA and any provisions which would control by operation of law even in the absence of this Deed and the LDA) are subordinated to the lien of the Mortgage in the event that Sponsor ceases to hold title to the Disposition Area as a result of the Holder's exercise of a remedy for the Sponsor's default under the Loan Documents.
- c. If, after the issuance of any Default Notice, any Holder shall Cure the Default before the expiration of the Cure Period (or, if applicable, any Extended Cure Period), such Holder may add the cost of Curing such Default to the Mortgage debt and to the lien of its Mortgage.

- B. Assignment of Surplus Money. If title to the Disposition Area is re-vested in the City pursuant to this Section 2, and HPD thereafter determines to sell all or any portion of the Disposition Area, the proceeds thereof, if any, shall be retained by HPD. Sponsor hereby assigns to HPD any surplus money paid into a court as

the result of any foreclosure of any lien on any portion of the Disposition Area prior to the issuance of the Certificate of Completion for that portion. Sponsor shall execute an assignment of surplus money in recordable form if the City, in its sole discretion, determines that such a document is necessary in order to effectuate such assignment.

- C. Other Remedies. Notwithstanding any provisions of this Section 2 to the contrary, the remedies of the City pursuant to this Section 2 shall not be exclusive. With respect to any Default, the remedies of the City pursuant to this Section 2 shall be in addition to and concurrent with all other defenses, rights, and remedies which the City has, will have, or may have pursuant to this Deed, the LDA, the Regulatory Agreement, the Loan Documents, or any other agreement between Sponsor and the City (collectively, "Project Documents"), or under law, equity, or otherwise. With respect to any violation of any Project Document which is not a Default, the City shall retain each and every defense, right, and remedy which the City has, will have, or may have pursuant to this Deed or any other Project Document or under law, equity, or otherwise.
- 3. No Transfer. Prior to issuance of a Certificate of Completion for the entire Project by the City pursuant to Section 201.B of the LDA, there shall be no transfer of title to the Disposition Area or change of ownership interest in Sponsor except in accordance with Article III of the LDA.
 - 4. Program Compliance And Non-Discrimination. Sponsor, by its acceptance and execution of this Deed, covenants and agrees, for and on behalf of itself, its successors and assigns, and every successor in interest to the Disposition Area, or any part thereof, to be bound by the following covenants, which shall be binding for the benefit of the City and enforceable by the City against Sponsor and its successors and assigns to the fullest extent permitted by law and equity:
 - A. Sponsor, its successors and assigns shall devote the Disposition Area to the uses specified in, and shall otherwise comply with, the LDA, the Regulatory Agreement, and the other Project Documents.
 - B. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall comply with all applicable federal, state, and local laws in effect from time to time prohibiting discrimination or segregation by reason of actual or perceived age, race, creed, religion, gender, sex, color, national origin, ancestry, sexual orientation, disability, marital status, partnership status, familial status, alienage status, citizenship status, lawful source of income, lawful occupation, military status, because children are, may be, or would be residing with such person or persons, or any other class protected from discrimination in housing accommodations by federal, state, or local law (collectively, "Prohibited Distinctions") in the sale, lease, or occupancy of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof.
 - C. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall not effect or execute any agreement, lease, conveyance, or other instrument whereby the sale, lease, or occupancy of the Disposition Area or any

improvements erected or to be erected thereon, or any part thereof, is restricted upon the basis of any Prohibited Distinction. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall comply with all applicable statutory and regulatory obligations to provide reasonable accommodations to individuals with disabilities.

- D. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall include the covenants of Section 4.B and Section 4.C in any agreement, lease, conveyance, or other instrument with respect to the sale, lease, or occupancy of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof.
5. Sponsor's Certification Pursuant to Section 695 of the GML. Sponsor hereby represents, warrants, and certifies, pursuant to Section 695 of the GML, that Sponsor is neither a former owner in fee nor the spouse of a former owner in fee of all or any part of the Disposition Area, or of any property acquired by the City through real property tax or other lien enforcement proceedings, nor is Sponsor a business entity substantially controlled by such a former owner, nor is Sponsor a successor in interest to any such former owner. If such representation, warranty, and certification by Sponsor is false in whole or in part, or if Sponsor otherwise violates or has violated Section 695 of the GML, this Deed and the LDA shall be voidable by the City in accordance with Section 695 of the GML.
6. No Merger. Notwithstanding the specific recital in this Deed of certain of the covenants and agreements which are provided for in the LDA, the Regulatory Agreement, or any other Project Document, each and every covenant, term, provision, and condition contained in the LDA, the Regulatory Agreement, or any other Project Document shall survive this Deed and shall remain in full force and effect, and no covenant, term, provision, or condition contained in the LDA, the Regulatory Agreement, or any other Project Document shall in any event or in any respect be merged with this Deed.
7. Covenants Running With Land. The agreements and covenants set forth in this Deed shall run with the land and shall be binding to the fullest extent permitted by law and equity. Such covenants shall inure to the benefit of the City and shall bind and be enforceable against Sponsor and its successors and assigns.
8. Severability. If any term or provision of this Deed shall be found to be void, voidable, or otherwise unenforceable, such term or provision shall be deemed severed from this Deed and shall have no further force or effect, and the remaining terms and provisions shall thereafter continue in full force and effect to accomplish the intent and purpose of this Deed to the fullest extent possible.
9. Waiver. To the extent permitted by law, Sponsor hereby waives any and all rights it may have, at law or equity, to challenge, modify, set aside, extinguish, enjoin enforcement of, or seek relief from any of the terms, conditions, covenants, restrictions, or agreements in this Deed.
10. Cross-Default. A default pursuant to the LDA, the Regulatory Agreement, or any other Project Document shall constitute a default pursuant to this Deed.

11. Notices.
- A. Each notice, approval, consent, request, waiver, or communication given or required to be sent under this Deed ("Notice") shall be in writing and either (i) sent by regular or express mail, postage prepaid, or (ii) delivered in person or by nationally recognized overnight courier, with receipt acknowledged.
- B. Each Notice shall be addressed as follows:
1. When sent by the City to Sponsor, at the address first set forth above.
 2. When sent by Sponsor to the City, to:

Department of Housing Preservation and Development
100 Gold Street, Room 9A-1
New York, New York 10038
Attention: Deputy Commissioner for Development
- C. Each party shall notify the other in the case of a change in address in the manner for delivering Notices provided in this Section 11, which changed address shall thereafter be the address to which Notices are sent.
- D. Each Notice delivered by regular or express mail shall be deemed to have been given upon the third (3rd) business day following the date upon which such Notice is deposited in the United States mail, postage prepaid. Each Notice delivered in person or by nationally recognized overnight courier, with receipt acknowledged, shall be deemed given upon actual delivery, as evidenced by a signed receipt. Notwithstanding the foregoing, any notice of a change in address shall only be deemed to have been given when actually received by the other party.
12. No Waiver. Waiver by either party of any breach of any provision of this Deed shall not be deemed to be a waiver of any other subsequent breach and shall not be construed to be a modification of the terms of this Deed unless and until the same be agreed to in a writing executed and acknowledged by the parties hereto.
13. Provisions Required by Law Deemed Inserted. Each and every provision of law and governmental regulation required by law to be inserted in this Deed shall be deemed to be inserted herein and this Deed shall read and shall be enforced as though so included herein. If, through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then, upon the application of either party, this Deed shall be deemed to be amended to make such insertion or correction so as to comply strictly with the law.
14. Titles. Any titles of the several parts, Articles, Sections, and Subsections of this Deed are for convenience only and shall be disregarded in construing or interpreting any of its provisions.
15. Compliance With Laws. Sponsor shall comply with all applicable laws, ordinances, orders, rules, and regulations promulgated by any local, state, or federal authority having

jurisdiction over the subject matter thereof, as the same may be amended from time to time.

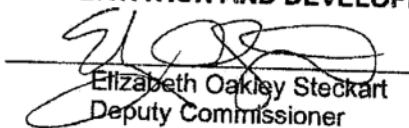
16. Unused Development Rights. If, at any time after the Completion Date, the amount of floor area permitted on the Disposition Area pursuant to the New York City Zoning Resolution exceeds the amount of floor area in the improvements existing on the Disposition Area on the Completion Date ("Unused Development Rights"), such Unused Development Rights shall not be used, transferred, or encumbered without the prior written consent of HPD.
17. Consents And Approvals. Except as otherwise specifically provided in this Deed, any consent or approval by HPD pursuant to this Deed shall be made in writing by (i) HPD's Commissioner, HPD's Deputy Commissioner for Development, or by an Associate Commissioner or Assistant Commissioner in HPD's office of Development (each, an "Authorized Official"), or (ii) an HPD employee designated in writing by any Authorized Official to grant such consent or approval. In the case of any consent or approval by an HPD employee who is not an Authorized Signatory, Sponsor shall be required to verify that such HPD employee has a valid written delegation of authority from an Authorized Signatory that authorizes such HPD employee to give such consent or approval, and shall not act upon any purported consent or approval without first performing such verification.
18. Sole Discretion. Except as otherwise specified herein, any determination or approval by HPD pursuant to this Deed shall be in the sole discretion of HPD.

IN WITNESS WHEREOF, the City has caused this Deed to be executed by the Commissioner of HPD, and its corporate seal to be affixed hereto, and

HDFC has caused this Deed to be executed as of the day and year first above written.

THE CITY OF NEW YORK

By: **DEPARTMENT OF HOUSING
PRESERVATION AND DEVELOPMENT**

By: 
Elizabeth Oakley Steckart
Deputy Commissioner

**BROOK 156 HOUSING DEVELOPMENT FUND
CORPORATION,**
a New York not-for-profit corporation

By: _____
Name: Michael Wadman
Title: Vice President

APPROVED AS TO FORM
BY STANDARD TYPE OF CLASS
FOR USE UNTIL SEPTEMBER 30, 2020

By: /s/ Amrita Barth
Acting Corporation Counsel


HDFC has caused this Deed to be executed as of the day and year first above written.

THE CITY OF NEW YORK

By: DEPARTMENT OF HOUSING
PRESERVATION AND DEVELOPMENT

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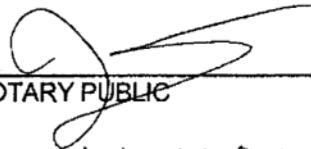
By: /s/ Amrita Barth
Acting Corporation Counsel

COMMISSIONER ACKNOWLEDGMENT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the 22nd day of September in the year 2020 before me, the undersigned, personally appeared Elizabeth Oakley Steckart, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

JENNIFER A KUBICKI
Notary Public, State of New York
No. 02KU6278123
Qualified in Kings County
Commission Expires Sept. 6, 2021


NOTARY PUBLIC


Notarized in Queens County.

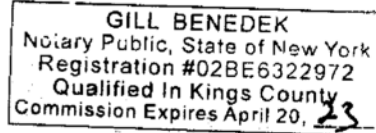
=====

HDFC ACKNOWLEDGMENT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the 21 day of September in the year 2020 before me,, the undersigned, personally appeared Michael Wadman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.


NOTARY PUBLIC



Seal of The City of New York

APPROVED AS TO FORM
BY STANDARD TYPE OF CLASS
FOR USE UNTIL SEPTEMBER 30, 2020

By: /s/ Amrita Barth
Acting Corporation Counsel

EXHIBIT A

Property Description

All those certain plots, pieces and parcels of land, with the buildings and improvements thereon erected, situate, lying and being in the City and State of New York, designated on the Tax Map of the City of New York as it existed on July 19, 2019:

<u>Block(s)</u>	<u>Lot(s)</u>	<u>Address(es)</u>
2360	3	740 Brook Avenue a/k/a 501 East 156 Street

County: Bronx

EXHIBIT B

RESERVED

EXHIBIT C

City Council Resolution

(next page)

**THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 984**

Resolution approving the disposition of city-owned property pursuant to Article XI of the Private Housing Finance Law, (L.U. No. 463; Non-ULURP No. 20195713 HAX).

By Council Members Salamanca and Moya

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on April 18, 2019 its request dated April 10, 2019 that the Council approve the disposition of city-owned property pursuant to Article XI of the Private Housing Finance Law (the "Disposition Area") for property located at Block 2360, Lot 3, Community District No. 1, Borough of the Bronx, Council District No. 17 (the "Application");

WHEREAS, the Application is related to ULURP applications C 190207 ZMX (L.U. No. 424), a zoning map amendment to rezone the Project Area from R7-2 to C6-2; C 190208 PPX (L.U. No. 425), a disposition of non-residential City-owned property; N 190209 ZRX (L.U. No. 426), a zoning text amendment to Appendix F of the Zoning Resolution designating the Project Area as a Mandatory Inclusionary Housing (MIH) Area; and C 190210 ZSX (L.U. No. 427), a zoning special permit pursuant to ZR 74-681 to allow development over a discontinued railroad right-of-way;

WHEREAS, upon due notice, the Council held a public hearing on the Application on June 26, 2019; and

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Application .

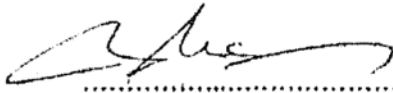
RESOLVED:

The Council approves the sale of the Disposition Area to the Sponsor pursuant to Section 576-a(2) of the Private Housing Finance Law, upon condition that the Project shall be developed in a manner consistent with Project Summary submitted by HPD, a copy of which is attached hereto and made a part hereof.

Adopted.

Office of the City Clerk, }
The City of New York, } ss.:

I hereby certify that the foregoing is a true copy of a Resolution passed by The Council of The City of New York on June 26, 2019, on file in this office.


.....
City Clerk, Clerk of The Council

PROJECT SUMMARY

1. **PROGRAM:** EXTREMELY LOW AND LOW INCOME AFFORDABILITY PROGRAM
2. **PROJECT:** Brook 156
3. **LOCATION:**
 - a. **BOROUGH:** Bronx
 - b. **COMMUNITY DISTRICT:** 1
 - c. **COUNCIL DISTRICT:** 17
 - d. **DISPOSITION AREA:**

<u>BLOCK</u>	<u>LOT(S)</u>	<u>ADDRESS(ES)</u>
2360	3	740 Brook Ave
4. **BASIS OF DISPOSITION PRICE:** Nominal. Sponsor will pay one dollar per lot and deliver a note and mortgage for the remainder of the appraised value ("Land Debt"). For a period of at least thirty (30) years following completion of construction, the Land Debt will be repayable out of resale or refinancing profits. The remaining balance, if any, may be forgiven at the end of the term.
5. **TYPE OF PROJECT:** New Construction
6. **APPROXIMATE NUMBER OF BUILDINGS:** 1
7. **APPROXIMATE NUMBER OF UNITS:** 51 dwelling units, plus 1 superintendent's unit
8. **HOUSING TYPE:** Rental

- | | |
|---------------------------------------|---|
| 9. ESTIMATE OF INITIAL RENTS | Rents will be affordable to families earning from 27% - 80% of the area median income ("AMI") with up to 20% of the units affordable to families with incomes up to 90% of AMI. Formerly homeless tenants referred by DHS and other City agencies will pay up to 30% of their income as rent. |
| 10. INCOME TARGETS | Between up to 30% and up to 80% of AMI, with up to 20% of the units targeted to incomes up to 110% of AMI |
| 11. PROPOSED FACILITIES: | Approximately 1,119 square feet of Community Facility space |
| 12. PROPOSED CODES/ORDINANCES: | None |
| 13. ENVIRONMENTAL STATUS: | Negative Declaration |
| 14. PROPOSED TIME SCHEDULE: | Approximately 24 months from closing to completion of construction |

EXHIBIT D

Mayoral Approval Document and Emergency Executive Order 106

(next page)

**THE MAYOR
CITY OF NEW YORK**

July 17, 2019

Cal. No. 1

WHEREAS, The Department of Housing Preservation and Development ("HPD") of the City of New York ("City") has proposed to the Council the sale of certain City-owned real property located in the Borough of the Bronx, City and State of New York, known as:

<u>Block</u>	<u>Lot(s)</u>
2360	3

on the Tax Map of the City and as Brook 156 in HPD's Extremely Low and Low Income Affordability Program ("Disposition Area"); and

WHEREAS, the Council, pursuant to Section 576-a(2) of the Private Housing Finance Law, has held a public hearing upon due notice and has approved the sale of the Disposition Area; and

WHEREAS, the City Planning Commission duly filed with the Council and the affected Borough President its approval (Report No. 190208, dated 4/24/19) of the use and disposition of the Disposition Area in conformity with the land use review procedures required by Sections 197-c and 197-d of the Charter, which have been adhered to; and

WHEREAS, the action of the City Planning Commission has been approved or deemed approved by the Council pursuant to Section 197-d of the Charter; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Part 617 of Volume 6 of the Codes, Rules and Regulations of the State of New York, Chapter 5 of Title 62 of the Rules of the City of New York, and Mayoral Executive Order No. 91 of August 24, 1977, as amended, HPD has issued a Negative Declaration which has been duly considered by the Mayor; and

WHEREAS, HPD has designated **Brook 156 Housing Development Fund Corporation** ("Sponsor") as a qualified and eligible sponsor; and

WHEREAS, it is anticipated that the project to be developed by Sponsor will contain approximately one building containing approximately 52 dwelling units, and approximately 1,119 square feet of community facility space; and

WHEREAS, a proposed agreement ("Land Disposition Agreement") between the City and Sponsor providing for the sale of the Disposition Area to Sponsor for the nominal price of \$1.00 per tax lot ("Disposition Price") and setting forth the terms and conditions for the development of the Disposition Area has been submitted to the Mayor; and

WHEREAS, the Mayor has held a public hearing upon due notice published in The City Record, as required by Section 1802(6)(j) of the Charter; and

WHEREAS, as certified below, a duly noticed public hearing in the matter of the disposition, pursuant to Section 1802(6)(j) of the Charter, was held and closed by the Mayor on July 17, 2019 (Cal. No. 1). At such public hearing, no amendments were made and no testimony was offered. The relevant portion of the calendar is annexed hereto.


CERTIFICATION by the Mayor's Office Of Contract Services/Public Hearings Unit of the actions at and final disposition of the Real Property Public Hearing held on July 17, 2019 (Cal. No. 1).

NAME Jacqueline Galong Heang TITLE Secretary DATE July 18, 2019

NOW THEREFORE:

1. The Mayor hereby approves the designation of Sponsor as a qualified and eligible sponsor.
2. The Mayor hereby authorizes and approves the sale of the Disposition Area at the Disposition Price without public auction or sealed bids, to Sponsor pursuant to Section 576-a(2) of the Private Housing Finance Law.
3. The Mayor hereby approves the Land Disposition Agreement in substantially the form submitted and authorizes the subordination of the Land Disposition Agreement to the lien of mortgages securing loans financing the Project.
4. The Mayor hereby authorizes any Deputy Mayor or the Commissioner of HPD to execute a Land Disposition Agreement in substantially the form submitted, when approved as to form by the Corporation Counsel, and directs the City Clerk or acting City Clerk to attest the same and to affix the seal of the City thereto.
5. The Mayor hereby authorizes the City, as more particularly described in the Land Disposition Agreement, to indemnify Sponsor and its successors or assigns, holders of mortgages securing loans financing the Project and their successors or assigns, and title companies against any claims of interest in the Disposition Area, or any portion thereof, by the holders of any mortgages of record against the Disposition Area, or any portion thereof, at the time the City acquired title.
6. The Mayor hereby authorizes any Deputy Mayor or the Commissioner of HPD to execute and deliver to Sponsor, or to an affiliate or successor of Sponsor controlled by the same principal(s) that controlled Sponsor, a deed of conveyance of title to the Disposition Area, when approved as to form by the Corporation Counsel, at the Disposition Price, without public auction or sealed bids, and upon the terms and conditions contained in the Land Disposition Agreement, and directs the City Clerk or acting City Clerk to attest said deed and to affix the seal of the City thereto.

Date: 7/19/2019

By: 
Daniel Symon, Director
Mayor's Office of Contract Services

WEDNESDAY, JULY 17, 2019

PUBLIC HEARING

HEARINGS CONTINUED

DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

BOROUGH OF THE BRONX

No. 1

R - 00609

PUBLIC HEARING in the matter of the disposition of certain real property owned by the City of New York ("City"), as submitted by the Department of Housing Preservation and Development ("HPD"), pursuant to Section 1802(6)(j) of the Charter, located in the Borough of the Bronx and known as:

Address
740 Brook Ave

Block/Lot(s)
Block 2360/Lot 3

on the Tax Map of the City and as Brook 156 in HPD's Extremely Low and Low Income Affordability Program ("Disposition Area") to Brook 156 Housing Development Fund Corporation ("Sponsor").

Under HPD's Extremely Low and Low Income Affordability Program, sponsors purchase City-owned or privately owned land or vacant buildings and construct multifamily buildings in order to create affordable rental housing. Construction and permanent financing is provided through loans from private institutional lenders and from public sources including HPD, the New York City Housing Development Corporation, the State of New York, and the federal government. Additional funding may also be provided from the syndication of low-income housing tax credits. The newly constructed buildings provide rental housing to low-income families with a range of incomes from 30% to 80% of the Area Median Income ("AMI"). Projects may include tiers of units with rents affordable to households earning up to 100% of AMI. Subject to project underwriting, up to 30% of the units may be rented to formerly homeless families and individuals.

Under the proposed project, the City will sell the Disposition Area to the Sponsor for the nominal price of One Dollar per tax lot. The Sponsor will also deliver an enforcement note and mortgage for the remainder of the appraised value ("Land Debt"). The Sponsor will then construct one building containing a total of approximately 51 rental dwelling units, plus one (1) unit for a superintendent, and approximately 1,119 square feet of community facility space on the Disposition Area and adjacent privately owned lot (Block 2360, Lot 1).

Wednesday, July 17, 2019

6

The Land Debt will be repayable out of resale or refinancing profits for a period of at least thirty (30) years following completion of construction. The remaining balance, if any, may be forgiven at the end of the term.

On June 12, 2019 (Cal. No. 2) and June 26, 2019 (Cal. No. 1), the hearing was continued to July 17, 2019.

Close the Hearing.

BOROUGH OF MANHATTAN

No. 2

R - 00612

PUBLIC HEARING in the matter of the disposition of certain real property owned by the City of New York ("City"), as submitted by the Department of Housing Preservation and Development ("HPD"), pursuant to Section 1802(6)(j) of the Charter, located in the Borough of Manhattan and known as:

Address

199-207 Elizabeth Street/222-230 Mott Street

Block/Lot(s)

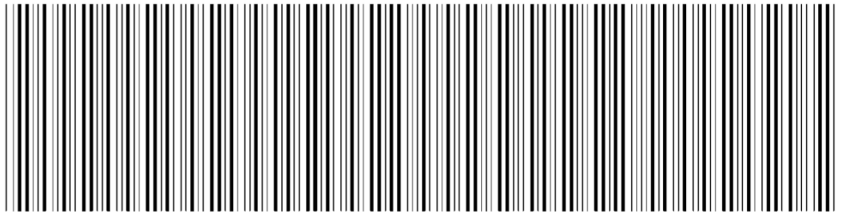
Block 493, Lot 30

on the Tax Map of the City and as Haven Green in the Senior Affordable Rental Apartments (SARA) Program ("Disposition Area") to 199 Elizabeth St. Housing Development Fund Corporation ("Sponsor").

Under the Senior Affordable Rental Apartments ("SARA") Program, HPD provides gap financing in the form of low interest loans to support the construction and renovation of affordable housing for low income seniors. Projects developed with SARA funding must also set aside 30% of units for homeless seniors referred by a City or State agency, typically the New York City Department of Homeless Services.

Under the proposed project, the City will sell the Disposition Area to the Sponsor for the nominal price of One Dollar per tax lot. The Sponsor will also deliver an enforcement note and mortgage for the remainder of the appraised value ("Land Debt"). The Sponsor will then construct one (1) building containing a total of approximately 123 rental dwelling units for low income seniors, plus one (1) unit for a superintendent. The building will also contain approximately 4,454 gross square feet of commercial space, and approximately 12,885 gross square feet of community facility space (of which 1,700 square feet is occupied by a publicly accessible covered entryway) on the Disposition Area. The project will also include approximately 6,700 square feet of open space that will be open to the public in perpetuity.

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



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SUPPORTING DOCUMENT COVER PAGE

PAGE 1 OF 1

Document ID: 2020101401031004

Document Date: 10-01-2020

Preparation Date: 10-23-2020

Document Type: DEED

ASSOCIATED TAX FORM ID: 2020092100076

SUPPORTING DOCUMENTS SUBMITTED:

Page Count

RP - 5217 REAL PROPERTY TRANSFER REPORT

4

FOR CITY USE ONLY

C1. County Code C2. Date Deed Recorded / /
 Month Day Year

C3. Book C4. Page
 OR
 C5. CRFN



REAL PROPERTY TRANSFER REPORT

STATE OF NEW YORK
 STATE BOARD OF REAL PROPERTY SERVICES

RP - 5217NYC

PROPERTY INFORMATION

1. Property Location 740 BROOK AVENUE BRONX 00000
 STREET NUMBER STREET NAME BOROUGH ZIP CODE

2. Buyer Name BROOK 156 HOUSING DEVELOPMENT FUND CORPORATION
 LAST NAME / COMPANY FIRST NAME

LAST NAME / COMPANY

FIRST NAME

3. Tax Billing Address Indicate where future Tax Bills are to be sent if other than buyer address (at bottom of form)
 LAST NAME / COMPANY FIRST NAME

STREET NUMBER AND STREET NAME

CITY OR TOWN

STATE

ZIP CODE

4. Indicate the number of Assessment Roll parcels transferred on the deed 1 # of Parcels OR ☐ Part of a Parcel

4A. Planning Board Approval - N/A for NYC

4B. Agricultural District Notice - N/A for NYC

5. Deed Property Size FRONT FEET X DEPTH OR ACRES

Check the boxes below as they apply:

6. Ownership Type is Condominium ☐7. New Construction on Vacant Land ☐

8. Seller Name THE CITY OF NEW YORK
 LAST NAME / COMPANY FIRST NAME

DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

LAST NAME / COMPANY

FIRST NAME

9. Check the box below which most accurately describes the use of the property at the time of sale:

A ☐ One Family ResidentialC ☒ Residential Vacant LandE ☐ CommercialG ☐ Entertainment / AmusementI ☐ IndustrialB ☐ 2 or 3 Family ResidentialD ☐ Non-Residential Vacant LandF ☐ ApartmentH ☐ Community ServiceJ ☐ Public Service

SALE INFORMATION

10. Sale Contract Date 10 / 1 / 2020
 Month Day Year

11. Date of Sale / Transfer 10 / 1 / 2020
 Month Day Year

12. Full Sale Price \$ 1
 (Full Sale Price is the total amount paid for the property including personal property. This payment may be in the form of cash, other property or goods, or the assumption of mortgages or other obligations.) Please round to the nearest whole dollar amount.

13. Indicate the value of personal property included in the sale

14. Check one or more of these conditions as applicable to transfer:

A ☐ Sale Between Relatives or Former RelativesB ☐ Sale Between Related Companies or Partners in BusinessC ☐ One of the Buyers is also a SellerD ☒ Buyer or Seller is Government Agency or Lending InstitutionE ☐ Deed Type not Warranty or Bargain and Sale (Specify Below)F ☐ Sale of Fractional or Less than Fee Interest (Specify Below)G ☐ Significant Change in Property Between Taxable Status and Sale DatesH ☐ Sale of Business is Included in Sale PriceI ☐ Other Unusual Factors Affecting Sale Price (Specify Below)J ☐ None

ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill

15. Building Class V 1 16. Total Assessed Value (of all parcels in transfer) 6 8 8 5 0


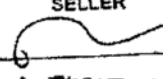
17. Borough, Block and Lot / Roll Identifier(s) (If more than three, attach sheet with additional identifier(s))

BRONX 2360 3

202009210007620102

CERTIFICATION

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

BUYER			BUYER'S ATTORNEY	
BUYER SIGNATURE		DATE	LAST NAME	FIRST NAME
C/O: PHIPPS HOUSES 902 BROADWAY, 13TH FLOOR				
STREET NUMBER	STREET NAME (AFTER SALE)		AREA CODE	TELEPHONE NUMBER
NEW YORK				
CITY OR TOWN	STATE	ZIP CODE	SELLER SIGNATURE	DATE
	NY	10010		
				
			AUTHORIZED SIGNATORY	

202009210007620

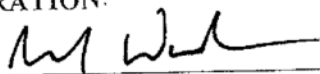
SIGNATURE PAGE
TO STATE OF NEW YORK, STATE BOARD OF REAL PROPERTY SERVICES REAL
PROPERTY TRANSFER REPORT (FORM RP-5217NYC)

CERTIFICATION

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

GRANTEE:

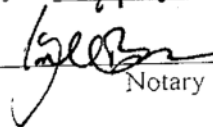
**BROOK 156 HOUSING DEVELOPMENT FUND
CORPORATION.**

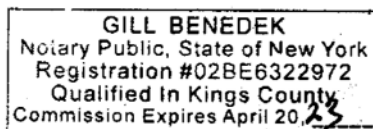
By: 
Name: Michael Wadman
Title: Vice President

TAX IDENTIFICATION
NUMBER:

45-3204354

Sworn to and subscribed to before me on
This 24 day of September, 2020


Notary Public



CERTIFICATION

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

BUYERS

_____ Buyer Signature	_____ Date
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SELLERS

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_____ Seller Signature	_____ Date

2020092100076201

Brook 156 Associates, L.P.

902 Broadway, 13th Floor

New York, NY 10010

July 14, 2021

Brook 156 Associates, L.P.

902 Broadway, 13th Floor

New York, NY 10010

RE: Volunteer Status

To Whom It May Concern,

Brook 156 Associates, L.P. (the Applicant) qualifies as a Volunteer because prior to submitting this application and prior to taking ownership of the Site, the Applicant (i) completed due diligence that complies with the EPA All-Appropriate Inquiries Rule (40 CFR 312), (ii) all disposals/releases of hazardous substances occurred prior to the time the Applicant performed All-Appropriate Inquiry concerning the Site, (iii) the Applicant does not have any affiliation with any of the potentially responsible parties with respect to the environmental impacts associated with the Site, and (iv) the Applicant has exercised and will continue to exercise appropriate care by implementing all necessary investigation and remediation under the BCP remedial program.

Sincerely,

A handwritten signature in black ink, appearing to read 'M Wadman', with a stylized, cursive script.

Michael Wadman

Vice President, Brook 156 Associates, L.P.