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APPLICATION TO
YONKERS INDUSTRIAL DEVELOPMENT AGENCY
FOR
FINANCIAL ASSISTANCE

BY:.....



I. APPLICANT INFORMATION: DATE: 9/5/12

Company Name: The Community Builders, Inc.
Address: 95 Berkeley St., Boston MA 02116
Phone No.: 617-695-9595
Email: JBrodie @tcbinc.org
Fax No.: 617-502-8066
Fed. I.D. No.: 04-2324773
Contact Person: Jan Brodie

Principal Owners/Directors:
(List owners with 15% or more in equity holdings with percentage ownership)

Bart Mitchell, President and CEO	Dan Lorraine, Sr. VP, Prop Mgmt	Phillip Clay, Board Chair & Director	Jonathan Keyes, Board Clerk & Director
Beverly Bates, Sr. VP, Dev Ops	Karen Kelleher, Sr. VP, Gen Counsel	Christopher Noble, Board Treasurer & Director	Mary Jo Bane, Board Director
Willie Jones, Sr. VP, Regions	Mick Vergura, Sr. VP, CFO	Edward Marchant, Board Director	Bart Mitchell, President and CEO
			Paul Roldan, Board Director
			Paul Roldan, Board Director
			Xavier de Souza Briggs, Board Director

* As a non-profit, TCB officers and directors do not have financial interest in the entity

Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)

TYPE OF ENTITY: (Please check one: Taxable _____ Tax Exempt)

What is the date of the establishment: 1964

Place of organization: Massachusetts

Corporation * The Community Builders, Inc. is a 501(c)(3) non-profit housing organization. Prior to closing, the organization will create a taxable Limited Partnership, 188 Warburton Limited Partnership, under which the project will ultimately be owned.

Partnership (General _____ or limited _____);
number of general partners _____ and, if applicable,
number of limited partners _____).

Limited Liability Company/Partnership (number of member _____).

Sole Proprietorship

If a corporation, partnership, limited liability company/partnership:

If a foreign organization, is the Applicant authorized to do business in the State of New York? _____

APPLICANT'S COUNSEL

Name: Alfred DeBello, DeBello Donnellan Weingarten Wise & Wiederkehr, LLP
 Address: One North Lexington Ave, White Plains, NY
 Phone No.: 914-681-0200
 E-Mail: ADB@ddw-law.com

II. PROJECT INFORMATION

Project Address: 188-192 Warburton Ave, Yonkers NY
4 Willow Place, Yonkers NY
A subdivision of 8 Cottage Place, Yonkers NY
 Block & Lot Block 2096, Lot 33,34
Block 2096, Lot 38
A subdivision of Block 2094, Lot 1,2

A) Attach a narrative description of any proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected.

COST OF TOTAL PROJECT: \$ 19,092,000

CLIENT COSTS:

Real Estate	\$	<u>435,000</u>
Construction	\$	<u>9,890,000</u>
Furnishings, Equip. & other		
Sales taxable	\$	<u>3,647,000 (est)</u>
Not sales-taxable	\$	<u>5,120,000</u>
Property Assessed Value		188-192 Warburton = \$12,000; 4 Willow = \$2,900; Subdivision of 8 Cottage *
Mortgage Amount	\$	<u>2,718,000</u>

* Entire Cottage Place Gardens PHA site = \$1,117,200

COST BENEFIT ANALYSIS:

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$	<u>566,862</u>
Estimated Mortgage Tax Exemption	\$	<u>48,924</u>
Estimated Property Tax Abatement	\$	<u>TBD</u>
Estimated Interest Savings IRB Issue	\$	<u>N/A</u>

Benefits = Economic Development

Private funds invested	<u>4,618,000</u>	Other Benefits	
		City:	\$450,000
		MHACY:	\$750,000
		NYS Trust Fund	\$1,000,000
		Fed LIHTC:	\$10,779,000
		State LIHTC:	\$1,495,000

B) Job Creation and Retention (Please do not include Construction Jobs)

Current # FTE (Full Time Equivalents) at Project Location	Estimate # of FTEs Jobs to be Created	Estimate # of FTEs Jobs to be Retained
	10	0

C) Average Estimated Salary of jobs to be Created \$ 49,300
 a. Annualized salary range of jobs to be created: \$ 24,700 to \$ 73,300

D) Average Estimated Salary of jobs to be Retained \$ 0

E) Estimate how many construction jobs will be created as a result of this Project:
 Construction: 209

F) If the cost of the total project (in II A above) exceeds \$5,000,000 **and** involves: (i) construction of a new facility, (ii) construction of an addition to an existing facility, or (iii) renovations or alterations to an existing facility please complete the following (if not, please proceed to II G below):

i. estimated cost of project construction contract(s): \$ 9,890,000
 ii. total cost attributable to materials: \$ 4,945,000
 iii. total cost attributable to labor: \$ 4,945,000

* includes costs associated with financing

Estimated aggregate number of work hours of manual workers¹ to be employed
 in project construction: 12 mos.

Estimated length of project construction: 12 mos.

Will project construction be governed by a project labor agreement ("PLA") with the Building and Construction Trades Council of Westchester and Putnam Counties, New York AFL-CIO ("Council")² Yes: Yes, we expect to execute a PLA No:

If you have answered YES to the preceding question, please attach a copy of the PLA; and you need not complete the remaining portions of this Section (but please see note below).

PLA Not Yet Available, to be Negotiated Upon Selection of Contractor and Commitment of Financing Sufficient to Complete the Project

¹ As defined in Section 190 of the Labor Law.

² This may be either a PLA already in effect with the landlord of the Project facility, or a PLA made (or to be made) between the Applicant and the Council directly in connection with Project Construction.

For each Contractor or Subcontractor currently known or reasonably expected to be involved in Project Construction, please state (attach additional pages as necessary) :

Name : _____

Address³: _____

(a) is this contractor Union or Open Shop (if union identify local)?

(b) will contract require local (i.e. Westchester County) hiring?

YES/NO

If YES, what percentage of manual workers will be local
@ least 30 %

(c) If Non-Union, will contract require payment of Prevailing Wage⁴?
YES/NO

If the answer to question “(b)” or “(c)” above is NO, explain omission:

If some or all of the Contractor(s) or Subcontractor(s) to be involved in Project Construction cannot reasonably be identified at this time, please state whether it is Applicant’s intention to require the following in its contract(s) for Project Construction:

(a) Local (i.e. Westchester County) hiring YES/NO

If YES, what percentage of manual workers will be local
@ least 30 %

(b) Union labor YES/NO

(c) If Non-Union, will contract require payment of Prevailing Wage?
YES/NO

(d) If the Applicant believes the information requested in this Section II(f) is not presently ascertainable, please check here and explain omission _____

If the answer to question “(a)” “(b)” or “(c)” above is NO, explain omission:

³ If a contractor and/or subcontractor has a permanent location in or around Westchester County from which the contract will be administered, please use that address.

⁴ For purposes of this Application, “Prevailing Wage” shall mean the “prevailing rate of wage” as defined in Article 8 of the New York Labor Law.

NOTE: If Applicant has indicated herein that Project Construction will involve a PLA, union labor, local hiring, and/or payment of Prevailing Wage, the Agency reserves the right to include such requirements in the Project Documentation as conditions for the extension and retention of tax benefits.

G) Are Utilities on Site? Yes/No)

Water X Electric X
Gas X Sanitary/Storm Sewer X

Municipal Housing Authority for the City of Yonkers (MHACY) (8 Cottage)

H) Present legal owner of the site Islamic Center Yonkers (188-192 Warburton; 4 Willow)

If other than Applicant, by what means will the site be acquired for this project:

Ground lease land from MHACY; Islamic Center Yonkers parcel is under option with The Community Builders, sale pending

I) Zoning of Project Site: Current: M Proposed: M

J) Are any variances needed: Administrative Apportionment

K) Principal Use of Project upon completion:

Family Affordable Housing

L) Will the project result in the removal of a plant or facility of the Applicant from one area of the State of New York to another? No

Will the project result in the removal of a plant or facility of another proposed occupant of the Project from one area of the State of New York to another area of the State of New York? No

Will the project result in the abandonment of one or more plants or facilities located in the State of New York? No

M) Financial Assistance being applied for and enter the Estimated Value

<input checked="" type="checkbox"/>	Real Property	\$ <u>435,000</u>
<input checked="" type="checkbox"/>	Mortgage Tax Exemption	\$ <u>48,924</u>
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption	\$ <u>566,862</u>
<input type="checkbox"/>	Tax Exempt Industrial Revenue Bonds	\$ <u>N/A</u>

REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A) Job Listings – In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives and Financial Assistance from the Agency, except otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the “DOL”) and with the administrative entity (collectively with the DOL, the “JTPA Entities”) of the service delivery area created by the federal job training partnership act (Public Law 97-300) (“JTPA”) in which the Project is located.

- B) First Consideration for Employ – In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives and Financial Assistance from the Agency, except otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

- C) Annual Sales Tax Filings – In accordance with the Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the Annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.

- D) Annual Employment Reports – The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency on an annual basis, reports regarding the number of people employed at the project site including corresponding payroll records for the year ending.

- E) Absence of Conflicts of Interest – The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officers or employees of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein described:

Hold Harmless and Other Agreement

Applicant hereby releases City of Yonkers Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, and agrees that the Agency shall not be liable for and the applicant agrees to indemnify, defend, pay and hold the Agency harmless from and against any and all liability arising from or expense incurred by the Agency concerning (A) the Agency's costs and expenses in the examination and processing of, as well as action pursuant to or upon, the attached Application, as well as verification of assertions in the application or other applicant submittals or applicant claims made now or in the future, regardless of whether or not the application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's costs and expenses in reviewing any acquisition, construction and/or installation of the Project described therein and (C) and further action, costs and expenses taken by the Agency – with respect to the project; including without limiting the generality of the foregoing, all causes of action and fees and expenses for Agency attorneys, accountants, economists, engineers, architects or other professionals or consultants incurred regarding any part of the application or the review and/or approval and/or monitoring of compliance by the applicant with all laws, rules and regulations and/or in defending any suits or actions which may arise as a result or any for the foregoing. If, for any reason, the applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the applicant are unable to reach final agreement with the respect to the Project, then, in the event, upon presentation of an invoice itemizing the same, the applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including fees and expenses for Agency attorneys, accountants, economists, engineers architects or other professionals or consultants, if any.

Applicant upon approval shall be responsible for any reasonable costs incurred by the Agency to verify employment or use of benefits received by the YIDA or other information required under the Public Authorities Accountability Act or other law, rule or regulation otherwise at the time said Verification is required.

This Indemnity and Hold Harmless Agreement shall survive any closing or other transaction in which benefits are sought or received by the applicant and shall continue for a period of time up to and including three years after the last benefit is received by the applicant from the City of Yonkers Industrial Development Agency.

The applicant and the individual executing this application on behalf of the applicant acknowledge that the Agency will rely on the representations made herein when acting on this application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

The Community Builders, Inc.

(Applicant)

By:

Name:

Jan Brodie

Title:

VP, Northeast Regional Director

Sworn to before me this

7th day of September 2011

Christine M. Vasta

Notary Public



This Application should be submitted with a \$600.00 Application fee to the:

City of Yonkers Industrial Development Agency
470 Nepperhan Avenue, Suite 200
Yonkers, New York 10701
Attention: Melvina Carter
President/CEO

NOTE: The Agency will collect an Agency Fee at the time of closing. Fees are based on the type of Financial Transactions.

<u>TYPE</u>	<u>FEE</u>
Bond Transactions	1 %
Straight Lease Transactions	1/2 %

The Community Builders and the
Municipal Housing Authority for the City of Yonkers
188 Warburton Street
Executive Summary

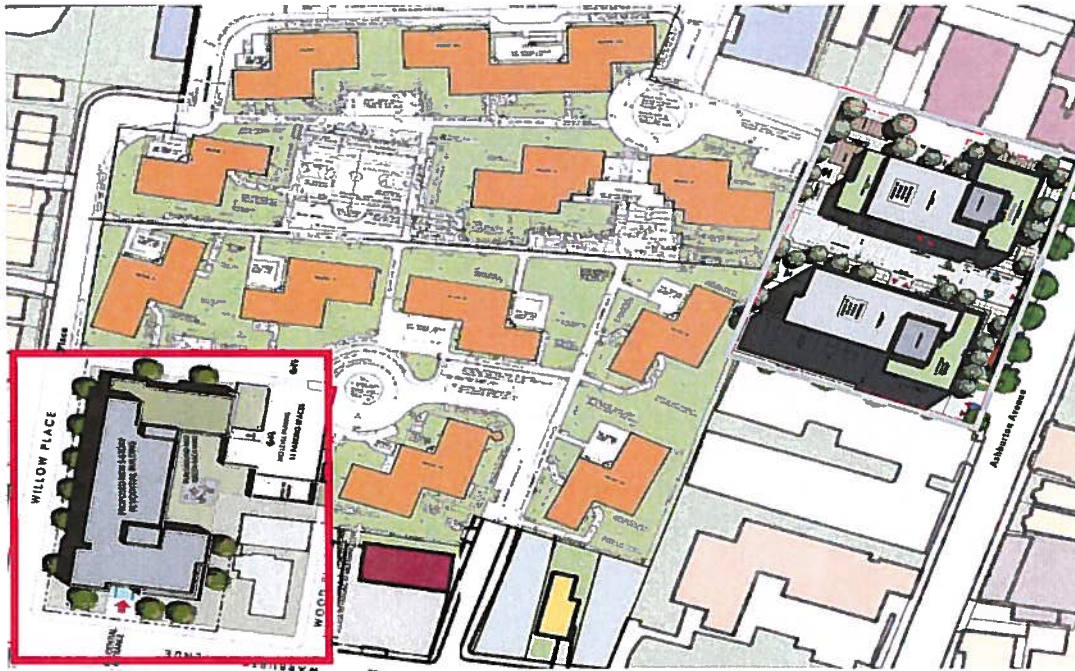


The Municipal Housing Authority and The Community Builders are continuing their partnership of the revitalization of Cottage Place Gardens and the Ravine Neighborhood, on a site located at the corner of Willow and Warburton Avenues in the City of Yonkers. This new project will provide 50 units of family housing on a 1-acre site at 188 Warburton Street. The site includes frontage on Warburton and Public Housing Authority land on the Cottage Gardens housing development. 188 Warburton continues the redevelopment of the neighborhood following the Public School 6, the 120-unit family and senior development, that began the revitalization effort. PS6 was funded in 2011, will close by year end 2012 and be in construction in 2013. Once built, residents of the deteriorated Cottage Place public housing will move into the new buildings, causing four buildings to be vacated, two of which will be demolished and become part of this next development, sited at the opposite corner of the original public housing site.

The TCB-City-MHACY redevelopment of the Ravine Neighborhood (a City approved URA) is focused on re-integrating the public housing development into the broader neighborhood and revitalizing the surrounding community. The 5.2 acre Cottage Place Gardens was constructed in the 1940's without any thought of integration into the social or physical network of the community. Cottage Place is isolated from the neighborhood and is cut off from city streets on all sides. With PS6 to the south and now with 188 Warburton to the west, the previously land-locked public housing site will be reintegrated into the street network, providing quality, affordable replacement housing for its residents in a mixed income development that addresses the concentration of poverty evidenced previously at Cottage Place.

The TCB-City-MHACY partnership is a multiyear effort that complements the City's larger Ashburton Avenue re-alignment and infrastructure improvements, with the MHACY's public housing redevelopment initiatives. This collaborative partnership leverages city owned vacant parcels for redevelopment as mixed income housing and new street frontage improvements, eliminating the concentration of poverty that plagued this quadrant of Yonkers for so long.

The MHACY's Mulford Gardens HOPE VI project at the eastern end of Ashburton Avenue is addressing the social and physical deterioration of one of the City's largest and most distressed public housing developments and the surrounding community. The TCB-MHACY demolition and redevelopment of the blighting influence of the collapsing PS-6 and remediation of the environmental issues of the site further enhance and complement the City's improvements in the corridor. The family and senior buildings on the School 6 site will provide an equally revitalizing impact to the western end of Ashburton, and 188 Warburton will turn the corner and move the economic development onto the north-south entrance to the downtown.



188 Warburton includes a vacant parcel of land that is held under Option, and will be merged with land subdivided from the Cottage Place site to form a contiguous .95 acre site. The two public housing buildings on-site will be demolished. The L-shaped lot is bordered by existing access roads, Willow Street (public) and Wood Place (private driveway into Cottage Place), both of which will be used for vehicular access to the 2-level parking garage under the four-story residential building. The site is further bordered by an existing 3-story Victorian house occupied and cared for by long time Yonkers residents, that will remain. Along Willow Street, the new development will include townhouses of larger unit size to mirror the free standing, 2-3 story private homes along the street. The new building has been designed to meet all current zoning requirements and as such needs only administrative approvals in order to proceed with its development. The site has approximately 3,500 square feet of street level community space that will also act as the main pedestrian entrance, bringing activity and investment to a streetscape that is currently peppered with boarded up store fronts or vacant apartments.

MHACY is the second largest housing authority in the New York City Metropolitan Area, covering 19 separate developments with 2,579 public housing units throughout the city. MHACY selected the Community Builders, Inc. (TCB) as the developer of the Cottage Place revitalization effort through a HUD compliant procurement process. TCB is one of the largest and most accomplished non-profit development corporations in the United States. In the last 45 years, they have completed or preserved over 25,000 units of affordable, mixed-income housing and generated over \$2.5 billion in development activity.

TCB has pioneered use of the tax code by nonprofit developers, citywide partnerships supporting large-scale redevelopment, and comprehensive neighborhood revitalization efforts through new uses of public housing funds and of project-based assistance. As one of the nation's foremost HOPE VI developers, they have provided award-winning comprehensive neighborhood revitalization to cities such as Cincinnati, Durham, Louisville, and Chicago. TCB and the MHACY have successfully moved PS6 forward to an expected 2012 closing and will continue this partnership to creatively use its expertise and local, county, state and federal resources to launch the development of another Cottage Place Gardens revitalization effort at 188 Warburton, allowing the demolition of the obsolete buildings on the old public housing site to begin.

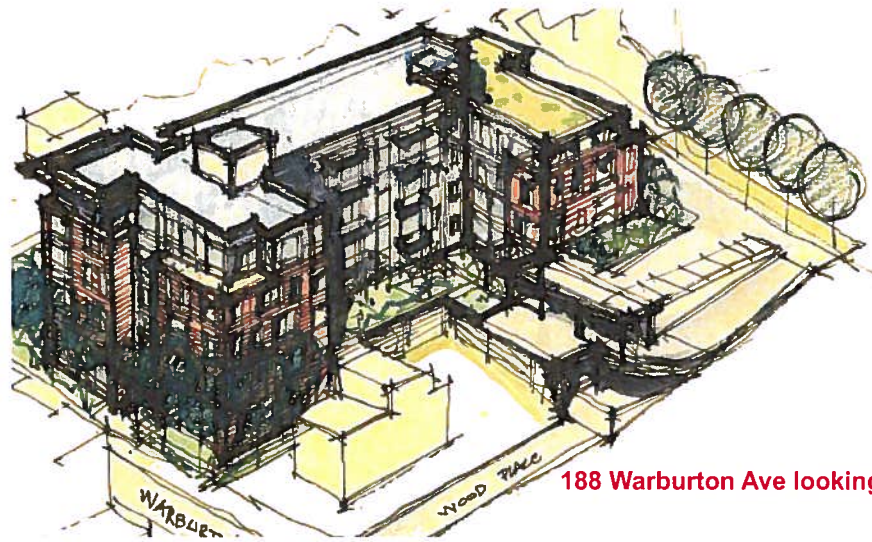
The 188 Warburton property will be redeveloped into a mixed income, mixed finance development consisting of a 4+ story, 45,000 SF, 50 unit family building with 77 parking spaces in a 2-level garage built into the slope of the land beneath the building. The building will re-invigorate pedestrian activity along Warburton Avenue by providing new commercial and community spaces at the ground floor, landscaped terraces, street trees, a private courtyard, new lighting and finished sidewalks creating an attractive urban environment. The design includes a high number of windows, especially on facades facing south, to maximize daylight and views for the apartments and common areas. The building's shape provides a face to the street, private play areas in the back, and townhouse style frontage along the smaller, single family Willow Street, opening it up to encourage pedestrian access. The redevelopment will further enable relocation of residents from Cottage Gardens, providing locations and sites for further neighborhood revitalization efforts. The development will provide quality housing to a mixture of incomes reflective of the community in order to meet the financial needs of the low-income population of the City of Yonkers including the former Cottage Place Gardens residents.

	1 BR	2 BR	3 BR	Totals
< 30% AMI ACC	5	4		9
<30% AMI PBS8	5	5	3	13
31%-60% AMI	15	10	3	28
Totals	25	19	6	50

The economic status of the residents in the redevelopment area is considerably more depressed than those of the city as a whole. The median household income for the area is \$26,369 per year, substantially lower than the median income for the City of Yonkers which is \$44,663. The area's 887 families for whom poverty status was assessed by the Census Bureau, 206 (23.4%) were determined to have an income, in 2000, below the poverty level. The distress of residents in the Ravine Neighborhood is also reflected in other socio-economic factors, such as unemployment and low levels of educational attainment. Of the 3,425 residents in the area, only 1,195 or 34% are working for a 66% unemployment rate, compared to the city where they report a 9.8% unemployment rate. The lack of gainful employment is a critical distress factor plaguing the area residents and of equal importance is the ability of area residents to obtain a "living wage". Nearly 30 percent of the area's population over the age of 25 lacks a basic high school diploma, which is critical to finding employment and realizing a living wage.

The project is expected to have a total development cost of approximately \$19,000,000. MHACY has committed to provide its own capital funds, TCB will provide a significant amount of NSP2 funds that it was awarded from HUD in 2009, and the City of Yonkers will provide HOME funds. We are applying to HCR in October 2012 for federal 9% tax credits, NYS tax credits, and NYS Trust funds.

TCB/MHACY team currently includes nationally recognized firms of IMC Consulting (MBE), and Magnusson Architecture and Planning, PC (architects), and John Meyers Consulting (civil engineers).



For Further information please contact:

Joseph Shuldiner Executive Director of the Municipal Housing Authority at 914-793-8400 ext 111 or via email at jshuldiner@mhacy.org.

Jan Brodie, Northeast Regional Director, The Community Builders, Inc. at 508-542-9396 or via email at jbrodie@tcbinc.org.

Brian Sweeney, IMC Consulting, LLC, Program Manager, MHACY at 410-598-3867 or via email at bsweeney@consultimc.com.