



New Development Models: *Including Supportive Housing at Highbridge Overlook*

Martin Dunn,
Dunn Development Corp.

Twelfth Annual
New York State Supportive Housing Conference
June 7, 2012



Agenda

- The Project – Highbridge Overlook
- Project Financing
- Implications of Supportive Housing Units
- Supportive Housing Projects
- On-site Services Staffing
- Design and Construction Photos



1. Highbridge Overlook

- 155 units new construction in Highbridge, The Bronx
- 40 studio units (26%) for NY/NY III (SPMI)
- 114 one, two and three bedroom units serving households at 40%, 50%, and 60% AMI
- 24-hour front desk staffing and on-site support services
- Community room, computer room, roof terrace, and indoor parking



2. Project Financing

- HDC tax exempt bonds
- HDC 2nd mortgage (LAMP)
- 4% as-of-right LIHC
- NYS HCR SLIHC
- JPMorgan Capital Corporation purchase of credits
- JPMorgan Chase Bank credit enhancement on construction period bonds
- NYC HPD Loans (LIRP)
- NYCHA Land (purchased for \$10,000 per unit)
- OMH NY/NY III funding for rental subsidies/support svcs

2. Project Financing (cont'd.)

Permanent Financing Sources		
HDC 1 st Mortgage	\$4,600,000	5.35% all-in
HDC 2 nd Mortgage	\$10,075,000	\$65,000/DU
HPD 3 rd /4 th Mortgages	\$5,611,939	\$51,996/DU
LIHC Equity	\$18,208,362	\$1.07 raise
SLIHC Equity	\$3,528,239	\$0.54 raise
Deferred Developer's Fee	<u>\$754,125</u>	
Total Sources	\$45,225,181	



3. Implications of Supportive Housing Units

- Lower rents than for tax credit units
- Reduced 1st mortgage debt the project could carry
- Triggered a need for additional subsidy
- SLIHC award enabled us to include the NY/NY III units along with units at 40% and 50% AMI



3. Implications of Supportive Housing Units (Cont'd.)

- Studios are hard to market in Bronx; supportive housing resolves this.
- Front desk staffing is important to attracting working families to the block
- NYCHA wanted buy-in from NYCHA Tenants' Association



4. Supportive Housing Program

- CAMBA, Inc. is the service provider and master tenant for the 40 studios
- Three projects in operation with CAMBA in this role (NYC DHMH)
- Highbridge Overlook funded under OMH Services Only Service Enriched SRO Housing NY/NY III RFP from January 2011
- 2nd project in construction with CAMBA as service provider with these OMH funds and a 3rd scheduled to close in September



5. On-Site Services Staffing

- Program director
- Three case managers
- 24-7 front desk coverage
- Less staffing than at some projects, but CAMBA and we are comfortable with this level.
- Need lower rents and/or more SH units for more staffing



6. Design and Construction Photos



















Thank You!
