



Homes and
Community Renewal



NYC HPD, AND NYS HCR, DOH, OMH AND PARTNERS ANNOUNCE COMPLETION OF \$21.68 MILLION AFFORDABLE AND SUPPORTIVE HOUSING RESIDENCE IN THE BRONX

63 Studio Units for Low-Income Tenants, Includes Supportive Housing for 38 Formerly Homeless Individuals Helping Stabilize their Lives; Financed by State Taxpayer Savings from Medicaid and Local Investment

Innovative State-of-the-Art Modular Design Fuses Functionality and High-Tech Green Elements



Bronx, NY October 29, 2015 – New York City Department of Housing Preservation and Development (HPD), New York State Homes and Community Renewal (HCR), New York State Department of Health (DOH), New York State Office of Mental Health (OMH), and developers today announced the opening of a \$21.68 million building with 63 studio apartments for low-income and previously homeless individuals in the Morrisania neighborhood of the Bronx.

The complex, at 3361 Third Avenue, was built with funds generated through the work of Governor Cuomo's Medicaid Redesign Team (MRT); HCR, OMH, DOH, and HPD. Services for the Underserved (SUS) is providing on-site care management and services to help the 38 formerly homeless tenants gain stability and independence.

"This newest addition to the Morrisania neighborhood is not only modern, sleek and efficient, it is also now home to dozens of lower-income and formerly homeless New Yorkers," said **HPD Commissioner Vicki Been**. "The mix of housing and on-site services, including mental health services, will help tenants stay in their new homes and provide a firm foundation for a better future. New York City is proud to have participated in the planning, design and investment of this building with our federal, state and local partners. I congratulate Services for the Underserved, Bronx Pro,

and all of our development partners who helped create these beautiful homes for New Yorkers most in need.”

HCR Commissioner and CEO James S. Rubin said, “Governor Cuomo’s leadership in addressing the needs of homeless and low-income New Yorkers spans three decades and has innovatively brought refuge and solace to those who were on the brink of hopelessness. This is how government is supposed to work, strengthening communities and helping those most vulnerable reclaim their lives. I congratulate Bronx Pro for creating a beautiful development and thank our other state, city, nonprofit, and financial sector partners who made it a reality.”

“On behalf of the families who live and work in my district, I am grateful to all of the helping hands who are responsible for the opening of this new residence on Third Avenue,” said **Senator Rev. Ruben Diaz**. “New York’s homeless cannot be ignored, and I am hopeful that if we continue one step at a time, our efforts to provide families and individuals with safe and affordable places to live, we will improve the quality of life in Bronx County.”

The Governor created the Medicaid Redesign Team (MRT) in 2011 to find better medical and therapeutic alternatives for high-need Medicaid clients in treatment for mental illness or substance abuse whose prognosis wasn’t improving despite repeated hospitalizations that were costly for the state. The MRT proposed \$3 billion in taxpayer savings, with the state committing more than \$300 million of those savings to supportive housing developments. Supportive housing enhances the quality of life for these clients in the near term and provides better health outcomes for vulnerable high-risk populations.

The state budget provides for more than \$1 billion in base funding to address homelessness statewide; that includes a \$753 million investment in homeless funding in New York City. The state budget, this year, makes an allocation of another \$436 million in new funding for the city to help tackle the rise in homelessness.

The seven-story building is aptly referred to locally as the “Lego building” because of its modular block construction, with nine-foot by seven-foot picture windows alternately framed in blue and red metal.

The project is on track to earn both an Energy Star label through the NYSERDA Multifamily Performance Program, and LEED Gold certification under the LEED for Homes Multifamily Midrise rating system. The building features 24-hour security, courtyard and rear yard garden spaces, community lounges, a library and computer room, and a rooftop garden. The green elements include high efficiency boilers, Water sense labeled fixtures, high performance fiberglass windows, a high albedo roof which reflects high temperatures, and energy star appliances and light fixtures.

All units are occupied by tenants with incomes at or below 60% of AMI. And 38 apartments are reserved for formerly homeless tenants who are supported by a social service structure with daily and community living skills training; healthcare monitoring; relapse prevention services; vocational, educational and employment assistance; coordination of social and cultural activities; and support groups.

In the four years since 2011, when the Governor prioritized affordable housing and the revitalization of communities, New York State Homes and Community Renewal has created or preserved 35 developments in the Bronx, with 5,952 apartments; that includes 2,700 units that were new construction. Across the state, the total production for the agency is more than 16,000 units of affordable or supportive housing and the preservation of almost 15,000 units.

“A stable home helps individuals with mental illness find their path to recovery,” said **OMH Commissioner Dr. Ann Marie T. Sullivan**. “Supportive housing programs like Bronx Pro’s not only provide shelter, but also the assistance that people need to live happier and healthier lives in the community. Under Governor Cuomo’s direction, the Office of Mental Health is proud to have helped develop more than 6,000 units of safe, secure, and affordable housing in the last four years, with an additional 8,000 units on the way.”

“Investing in supportive housing takes a broader, more comprehensive view of health care by focusing on the social factors that impact health, such as housing,” said **Commissioner of Health Dr. Howard Zucker**. “When people are adequately and safely housed, they are more likely to get the health care they need and more capable of taking care of themselves. Supportive housing is an example of New York’s innovative approach to lowering Medicaid costs while improving the health of our neediest citizens.”

“Services for the Underserved is honored to be at the forefront of delivering on the promise of the Governor’s Medicaid Redesign’s investment in supportive housing,” said **Donna Colonna, the Chief Executive Officer of Services for the Underserved**. We are proud to showcase this beautiful building which is home to 63 deserving New Yorkers.

“Bronx Pro Group is excited to complete our first supportive housing project and to be a part of the new Medicaid Redesign Team initiative. Creating excellent housing for our most vulnerable New Yorkers is essential and we are honored to work with all our partners who dedicate their time and talents to support individuals with special needs to live with dignity in our Bronx community,” said **Samantha Magistro, Managing Director of New Business at Bronx Pro**.

“As the Co-Developer and General Contractor of this one of a kind residence in the Bronx, Strategic Construction & Development Group, is proud to be part of this wonderful accomplishment. We thank the State and City of New York for their constant efforts in making the City of New York a place affordable to all and welcome all the residents in their new home,” said **Amandine Di Santo, Director of Business Development and Marketing & Sales, at Strategic Development**.

“Supportive housing like 3361 Third Avenue is our best tool for solving New York’s chronic homelessness problem,” said **Judi Kende, Vice President and New York Market Leader, Enterprise Community Partners, Inc.** “This project would not be possible without critical funding from the NY/NY III agreement, but we need more resources. That’s why we are committed to developing innovative programs and projects with dedicated public and private partnerships to address chronic homelessness directly.”

The \$21.68 million project benefited from closely coordinated state and local investment. The state’s financing includes: \$10.45 million in bond financing through the HCR’s Housing Finance Agency; a \$4.25 million Medicaid Redesign Team loan provided by the New York State Department of Health; and the New York State Office of Mental Health is funding the on-site social services. Other financing was provided by a \$4.09 million loan from the New York City Housing Preservation and Development Supportive Housing Loan Program. HPD also awarded 38 Section 8 vouchers to the project to subsidize the rents of the building’s formerly homeless tenants.

About New York City Department of Housing Preservation and Development (HPD):

The New York City Department of Housing Preservation and Development (HPD) is the nation’s largest municipal housing preservation and development agency. Its mission is to promote quality housing and diverse, thriving neighborhoods for New Yorkers through loan and development programs for new affordable housing, preservation of the affordability of the existing housing stock, enforcement of housing quality standards, and educational programs for tenants and building owners.

HPD is tasked with fulfilling Mayor de Blasio's Housing New York: A Five-Borough Ten-Year Plan to create and preserve 200,000 affordable units for New Yorkers at the very lowest incomes to those in the middle class. For more information visit www.nyc.gov/hpd and for regular updates on HPD news and services, connect with us via www.facebook.com/nychpd and www.twitter.com/nychousing.

About New York State Homes and Community Renewal:

New York State Homes and Community Renewal (HCR) agencies include the Affordable Housing Corporation, the Division of Housing and Community Renewal, the Housing Finance Agency, State of New York Mortgage Agency, Housing Trust Fund Corporation and others. In 2014, HCR boasted a record year, financing the creation or preservation of 9,407 affordable housing units, including affordable homeownership opportunities for more than one thousand families. 2015 marks the third year of Governor Cuomo's \$1 billion statewide **House NY** program, whose goal is to create or preserve 14,300 affordable units by 2018. As the largest investment in New York State's affordable housing stock in at least 15 years, **House NY** investments will keep thousands of low- and moderate-income Mitchell-Lama units affordable for another 40 years. The **House NY** initiative works in tandem with HCR's vigorous efforts to protect more than two million rent-regulated tenants thanks to the greatest strengthening of the state's rent laws in 30 years, and the creation of HCR's Tenant Protection Unit which proactively audits and investigates landlord wrongdoing and has returned more than 44,000 units to rent regulation. For more information see www.nyshcr.org, and follow us at twitter.com/nyshcr.

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