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NEW YORK CITY HOUSING AUTHORITY

NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

This is a Notice of Intent to Request a Release of Funds under the New York City Housing Authority (“NYCHA”) preservation initiative Permanent Affordability Commitment Together (“PACT”). NYCHA intends to submit an application to the U.S. Department of Housing and Urban Development (“HUD”) for the disposition of public housing property as authorized under Section 18 of the U.S. Housing Act of 1937 as amended and implementing regulations at 24 C.F.R. Part 970 (“Section 18”), the Rental Assistance Demonstration (“RAD”) created by the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55) and the corresponding Notice H 2019-09 PIH 2019-23 (September 5, 2019). The City of New York acting through the New York City Department of Housing Preservation & Development (“NYC HPD”) is serving as the Responsible Entity (“RE”) for NYCHA pursuant to the National Environmental Policy Act (“NEPA”) 24 C.F.R. Part 58.

NYCHA PACT HERNANDEZ:

Approval of the disposition of public housing property will facilitate the PACT program and the rehabilitation and preservation of such housing as long-term, project-based Section 8-assisted housing. NYCHA will convey the Hernandez Houses, located at 187-189 Allen Street (Block 417, Lot 1) in the Lower East Side neighborhood of Manhattan, New York City (the “Project Site”) to Hernandez PACT LLC [comprised of MDG Design & Construction, Wavecrest Management Team, and Essence Development (the “Developer”)].

The Project Site currently contains a single 17-story residential building with approximately 149 senior housing units, along with a community space/senior center and a NYCHA paint shop. The approximately 1.05-acre Project Site is generally bounded by East Houston Street to the north, Allen Street to the east, Stanton Street to the south, and Eldridge Street to the west. The Project Site is eligible for listing on the State/National Register of Historic Places (S/NR).

The PACT program facilitates preservation and rehabilitation by using multiple conversion pathways, including the use of Project-Based Vouchers (PBVs) and the conversion of public housing assistance from Section 9 to long-term project-based Section 8 rental assistance pursuant to RAD and Section 18. The disposition and conversion of the Project Site to Section 8 under the PACT program (Section 18 and RAD) will allow the Developer to finance, rehabilitate, operate, and manage the Project Site.

The Developer will provide social services to residents, while maintaining affordability and residents’ rights in line with public housing protections and prohibits the permanent involuntary displacement of current residents as a result of the conversion. The Developer will conduct repairs, serve as the new on-site property manager, and provide ongoing property management and oversight along with enhanced social services and community programs. NYCHA’s disposition to the public/private partnership would be through a 99-year ground lease, and NYCHA will remain the fee owner of the Project Site. At such conveyance, the Project Site will be converted from

public housing (Section 9) to long-term project-based Section 8-assisted housing pursuant to Section 18 and RAD.

If the Project Site is approved into the Federal Historic Rehabilitation Tax Credit Program, the rehabilitation and management of the Project Site will be carried out in accordance with the Secretary of the Interior's Standards for Rehabilitation. The Proposed Project will not change the unit density or involve a change in land use. Other sources of potential subsidy include funding from the NYC HPD and the New York City Housing Development Corporation (HDC). NYCHA and the Developer may also jointly seek a Mayoral Zoning Override Request to comply with zoning requirements. This will allow the Developer to address environmental hazards conditions, such as lead-based hazards, asbestos, and mold, at the Project Site (collectively, the "Proposed Project").

An Environmental Review Record ("ERR") that documents the environmental determinations for the Proposed Project is on file at NYC HPD and may be requested by emailing environmental_review@hpd.nyc.gov.

PUBLIC COMMENTS:

Any individual, group, or agency may submit written comments to NYC HPD within seven days of this Notice. NYC HPD will consider all comments received by the end of the comment period before submitting the request for release of funds to HUD. After receiving the request for release of funds, HUD will also accept comments for 15 days.

ENVIRONMENTAL CERTIFICATION:

The Proposed Project is subject to the NEPA Categorically Excluded under HUD regulations pursuant to 24 CFR Part 58, Section 58.35(a).

As the Responsible Entity, NYC HPD, through its Certifying Officer Dina Levy, will certify in its request for release of funds to HUD that New York City consents to accept jurisdiction of the federal courts if an action is brought to enforce responsibilities in relation to environmental reviews, decision-making and action, and that the responsibilities have been satisfied. NYC HPD approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and confirms the site-specific environmental reviews for the Proposed Project have been conducted prior to any obligation of funds.

OBJECTIONS TO RELEASE OF FUNDS:

HUD will accept objections to its release of funds and the RE's certification for a period of 15 days following the anticipated submission date or its actual receipt of the request (whichever is later) only if objections are on one of the following bases: (a) the certification was not executed by the Certifying Officer of NYC HPD; (b) the RE has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR Part 58; (c) the grant recipient has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be emailed to NY_PH_Director@hud.gov in accordance with the required procedures (24

CFR Part 58) and shall be addressed to the Director, Office of Public Housing. Potential objectors should contact HUD to verify the actual last day of the objection period.

Table 1: Hernandez

Building No.	Block/Lot	Address	Use
1	417/1	187 ALLEN STREET	Residential / Community Center