

John Jurenko Vice President Intergovernmental Relations and Planning 125 Worth Street, Suite 504 New York, NY 10013 john.jurenko@nychhc.org 212-788-3352

# STATEMENT OF JOHN JURENKO, VICE PRESIDENT INTERGOVERNMENTAL RELATIONS AND PLANNING

#### **NYC HEALTH + HOSPITALS**

August 9, 2016

Good morning, my name is John Jurenko and I am the Vice President for Intergovernmental Relations and Planning for NYC Health + Hospitals. Thank you for the opportunity to testify in support of a proposed lease agreement between Health + Hospitals and Draper Family Housing Development Fund Corporation as nominee for Gilbert on First LLC for a parcel of land located on the campus of NYC Health + Hospitals/Metropolitan in Manhattan. I am joined here today by the developer, Sydelle Knepper, of SKA Marin.

As some of you may know, NYC Health + Hospitals has engaged in several collaborations with housing providers and developers to create affordable, supportive and sustainable housing on parcels of land that are no longer needed for healthcare services. SKA Marin is one of the developers Health + Hospitals has worked with and the relationship has yielded 3 other housing development projects. There are two completed projects with SKA Marin. One is across the street from Metropolitan Hospital on 99th Street where 175 housing units were built for Health + Hospitals patients who can live successfully in the community with proper support. The second was for 173 units of senior housing in Brooklyn. The third project is the first phase of the Draper Hall project that is underway now to build more than 200 units of affordable housing for seniors. All of these projects were previously approved by the Council.

The proposed lease now before you would allow for the construction of a sixteen-story building containing 153 units for low and moderate income individuals. The NYC Health + Hospitals' lease with the developer would be for 99 years with annual rent payments of \$87,606 per year. The costs of development and



"SKA Marin has been involved with senior housing since [the company's] inception," says Sydelle Marin Knepper, CEO, "The Section 202 [U.S. Department of Housing and Urban Development] program is no longer a factor in these projects, and now we develop senior housing using tax credits bonds and other secondary financing platforms. As people have aged across the country, there is more recognition of the problem of providing seniors with appropriate opportunities to age in place in their communities and in ageaccessible housing."

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AFFORDABLE HOUSING NEWS

America's Affordable Housing Resource

SKA MARIN





# Expanding Senior Housing Opportunities

A women-owned family company participates in every stage of the development process





CEO :: Sydelle Marin Knepper | Location :: Great Neck, New York

Building on the foundation of a successful consulting and construction management firm, SKA Marin is now a leading developer and owner of affordable housing, specializing in senior and other related supportive housing. As the population ages and tax and investment incentives evolve, the demand and opportunities for these efforts are increasing rapidly.

#### IMPROVED HOUSING FOR NEW YORK SENIORS

SKA Marin's portfolio includes rehabilitation and new construction. The company has to be adaptive as opportunities vary and market needs change. Seniors have specific needs for not only amenities and facilities but also location.

"The solutions and the problems are the same whether serving an urban, suburban or rural population," Knepper says. "Most seniors want to stay where they are, in their neighborhoods, whatever a geographical type of neighborhood it is, and they don't really want to relocate. They seek familiarity, especially as they get older."

Draper Hall is a combined new construction and rehabilitation effort that will help meet this need. Located in East Harlem, the former nurse's dormitory was badly damaged by Hurricane Sandy in 2012 and has remained vacant ever since. SKA Marin is rehabilitating and remodeling the building to create a community that includes a senior center, emergency medical services and 203 apartments for low-income seniors.

"As a nurse's residence, Draper Hall had small rooms and community toilets, along with a library and lecture class halls," Knepper says. "The building took on eight feet of water during Sandy and was uninhabitable. [But] it is a beautiful building with a magnificent view. Our goal was to reuse as much as we could, but also to add to it. A new 14-story tower will contain 203 one-bedroom units and two studio apartments."

Draper Hall will also offer a 5,000 square foot community facility space for senior needs.

"The 3,500 square-foot auditorium will become a



community room. There is also a magnificent view of the East River, but right now you cannot see anything—it is covered by concrete," Knepper says. "Draper Hall will also offer a 5,000 square-foot senior's center. When finished, it will be a senior building where everyone is low-income. For [Americans with Disabilities Act] compliance, some apartments will be accessible or adaptable, as most residents are expected to be independent and not chronically disabled."

#### INDEPENDENCE THROUGH ACCESSIBILITY

Although Draper Hall has been developed to suit many needs, especially low-income residents, SKA Marin's Metro East 99th Street is a 176-unit building designed to help all people with disabilities, no matter their age. Residents must receive referrals from the New York City Health and Hospitals Corporation, but once the residents are there, they will find an affordable apartment community adapted to their needs.

"Metro East has many interesting features," says Knepper. "We worked with Dattner Architects and held focus groups with potential resident groups. Discussions revealed what would be important to them, and some very interesting design solutions came out of that. For example, with windows, there's a partial window that's lower, so someone who's in a wheelchair can actually see out the window."

No detail was spared when it came to Metro East. Even doorknobs and hinges are designed for easy handling from a wheelchair. In the kitchens, the cabinetry and countertops can move vertically to improve access. For security, a computerized doorman reveals the identity of visitors before residents can let them in, and the same system is available at all hours to call for emergency services.

There are also recreational opportunities to encourage independence.

"It's really a combination of creative design and adaptive use at Metro East that makes the building function so successfully." Knepper says. "It even has a beautiful garden that runs the entire length of the building. It has a

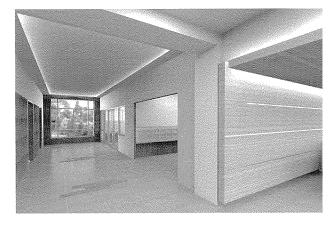


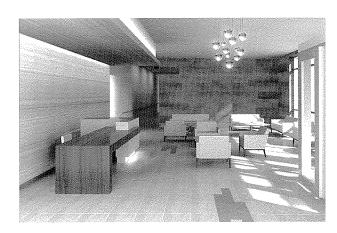


ramp to enter and there are hard surfaces to accommodate wheelchairs. On the ninth floor of the building, there's a balcony with raised containers that will be used for a program for gardening."

Metro East has helpful amenities and improves the lives of disabled and elderly residents. Fortunately, more efforts like it will move ahead in the future.

"Metro East was the first Medicaid redesign project to close in New York City and New York state," Knepper says. "It was a good learning experience, and we think that in the future, there should be more of these projects that are adaptable to the population they have. We are very grateful to the City of New York and State of New York housing and health agencies for their leadership and support. If you start early, you can really design these projects so that communities are better equipped to serve seniors and non-seniors who may have some disabilities."





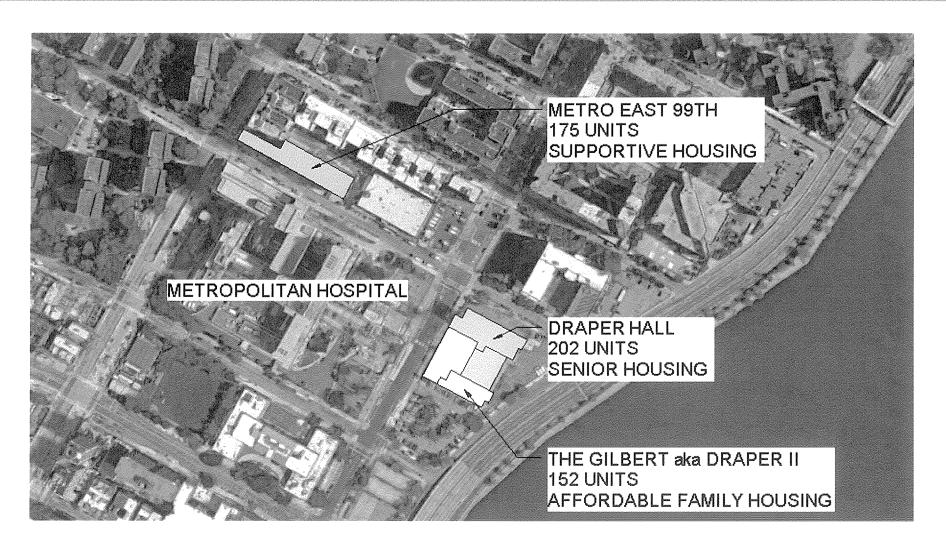
## New York City Council Land Use Committee

# The Gilbert aka Draper Hall II

August 9, 2016



#### East Harlem Context





#### About SKA Marin

- SKA Marin approaches affordable development with a passion for getting the job done well and the knowledge and experience to do it.
- In 2015, SKA Marin was ranked #30 out of the nation's top 50 affordable housing developers by the Affordable Housing Finance magazine and has been involved in the development and construction management of over 6500 units.
- In 1996, the Landmark on Main Street project won the New York State Historic Preservation award for Community Revitalization and Historic Rehabilitation.
- In 2015, Metro East 99th Street, the first Medicaid Redesign Project to close in New York State, was named 2015 Best Supportive Housing in the nation by Affordable Housing Finance Readers' Choice.



## NYC Health + Hospitals Partnership with SKA Marin

The Gilbert aka Draper Hall II is the fourth collaboration between SKA Marin and the New York City Health + Hospitals including:

- The Kings County Senior Residence 172+1 one bedroom apartments
- Metro East 99th Street—175+1 apartments exclusively for chronically ill and physically challenged adults from H+H long term and acute care facilities
- Draper Hall Phase I- 202+1 units of affordable senior housing

The NYC H+H/SKA Marin collaboration is an example of how, working together, health and housing providers can create healthy and inclusive communities within larger neighborhoods like East Harlem. By providing much needed affordable and supportive housing for individuals and families, we can facilitate good health and preventive care.

The Gilbert is one of five projects, nationwide, which was just awarded a 2016 Enterprise Green Communities Health Action Pilot Grant for its goal to promote health through housing.



## Community Outreach

- SKA Marin has historically worked with East Harlem community organizations on housing culminating in such projects as Carlos Rios, Mt. Pleasant, Lucille Clark and Casita Park.
- On Draper Hall Senior Housing, as the Council has recommended, SKA
   Marin will be leading an outreach effort to East Harlem seniors to apply for the housing.
- On The Gilbert aka Draper II, we will continue to meet with local elected officials and the Metropolitan Community Advisory Board and Community Board 11.



### The Gilbert Project Features

- 152+1 units of affordable, mixed income family housing
- 30 studios, 47 one bedrooms, 53 two bedrooms and 23 three bedrooms
- Outdoor planted rooftop
- Beautiful views of the East River
- Tall, slender building which fits into the neighborhood context
- Nurse practitioner/doctor's services on-site (in discussion with NYC H+H)
- Easy access to medical care at Metropolitan Hospital



### The Gilbert FY 2016

The Gilbert will provide affordable units to families at varying levels of income. These rents and income ranges reflect the HUD 2016 FMR for New York City.

|           | 47% AMI  |        |                     | 57% AMI  |    |                     | 80% AMI  |    |          | 100      | 0% AMI   | <b>130% AMI</b> Max Income \$117,780 |    |       |
|-----------|----------|--------|---------------------|----------|----|---------------------|----------|----|----------|----------|----------|--------------------------------------|----|-------|
| 152 Units | Max Inco | 15,300 | Max Income \$54,300 |          |    | Max Income \$72,480 |          |    | Max Inco |          |          |                                      |    |       |
|           | 38 Units |        |                     | 38 Units |    |                     | 16 Units |    |          | 30 Units |          | 30 Units                             |    |       |
| Studio    | 7        | \$     | 707                 | 7        | \$ | 865                 | 4        | \$ | 1,049    | 6        | \$ 1,321 | 6                                    | \$ | 1,729 |
| One       | 12       | \$     | 759                 | 12       | \$ | 929                 | 5        | \$ | 1,320    | 9        | \$ 1,660 | 9                                    | \$ | 2,170 |
| Two       | 13       | \$     | 917                 | 13       | \$ | 1,121               | 5        | \$ | 1,591    | 10       | \$ 1,999 | 11                                   | \$ | 2,611 |
| Three     | 6        | \$     | 1,053               | 6        | \$ | 1,289               | 2        | \$ | 1,831    | 5        | \$ 2,302 | 4                                    | \$ | 3,009 |



<sup>\*</sup> This project includes a 2- bedroom non revenue super's unit which brings the total of units to 153

## The Gilbert Financing Model and Project Schedule

#### **Projected Construction Financing:**

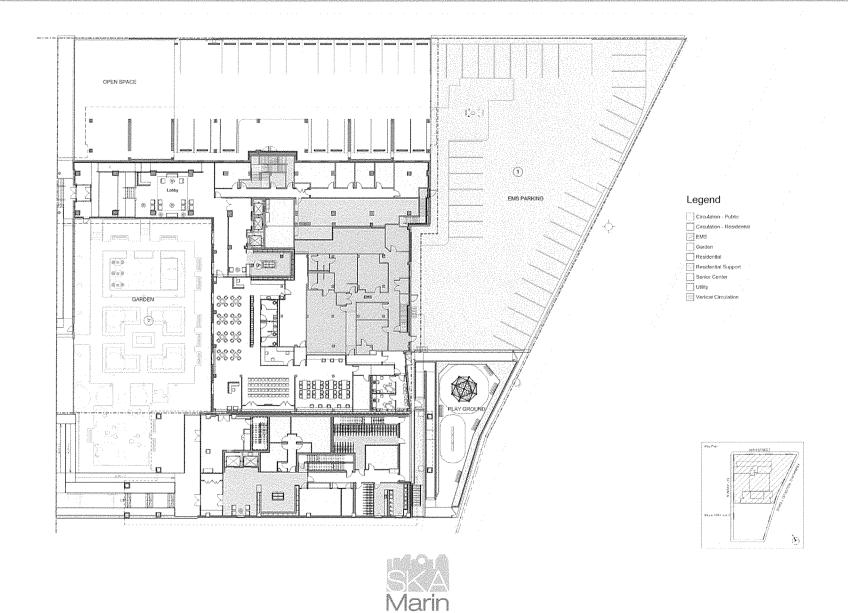
- New York City Housing Development Corporation
- Federal Tax Credits and Developer Equity
- New York State Tax Credits
- New York State Middle Income Program
- New York City Department of Housing Preservation and Development
- City Council Funds

#### **Project Schedule:**

- Construction Closing: December, 2016
- Construction Completion: December, 2018
- Rent-up Completion: June 2019



## The Gilbert and Draper Hall First Floor Plan



# The Gilbert and Draper Hall Bird's Eye View



