



Homes and Community Renewal

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LOW-INCOME HOUSING CREDIT PROGRAM COMMISSIONER DETERMINATION

SHARS ID: 20176025

Project Name: 23 North

Project Applicant/Awardee: Lakewood Development II, LLC

Date: May 9, 2018

Pursuant to Section 2040.3(e)(21) of the New York State Division of Housing and Community Renewal's Low-Income Housing Credit Qualified Allocation Plan (QAP), the Division may not fund a project that significantly exceeds the costs of other proposed project applications submitted in the same funding round, unless a determination has been made finding the project to be in furtherance of the State's housing goals.

The proposed 23 North project costs significantly exceed the costs of other projects for which applications were submitted under the 2017 Unified Funding application funding round in the Upstate cost region. The relatively high cost of this project is attributable to the advanced state of deterioration of the vacant Burrous Furniture store that will be adapted to create 16 residential units and a ground floor commercial space. Moreover, the small number of units contribute to a relatively high cost per unit since fixed development costs are spread over fewer units. In an effort to reduce project costs, HCR will establish a cost reduction target of \$200,000 as a condition of its award.

The project has been deemed eligible for financing based on a finding that the project advances the State housing goals described below:

- The project advances the State's community revitalization housing goal by rehabilitating and converting the partially collapsed former Burrous Furniture store into affordable housing for seniors. In its current condition, the building is having a blighting impact on the Village of Wellsville's commercial corridor.
- The project represents a coordinated investment with other State government financing partners, including Empire State Development and the New York State Energy Research and Development Authority.

Based on the information noted above and the Division's review of the project application, a determination has been made that the award and intended allocation of low-income housing credit for this project is consistent with the above-referenced QAP standard.

This Determination will be posted to the Division's website at:
<http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/> in order to satisfy the QAP requirement that the Division provide a written explanation of this award to the general public.



Ruth Anne Visnauskas, Commissioner/CEO