NYC / EDC
One Liberty Plaza
New York, NY, 10006

Authorities Budget Office

September 15 2026

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Speaker
New York State Assembly
State Capitol
Albany, New York 12224

President
New York State Senate
State Capitol
Albany, New York 12224

State of New York
Authorities Budget Office
P.O. Box 2076
Albany, New York 12220-0076

Re: East 125th Street Development – B-Center Lot 12
225 East 125th Street, NY 10035
New York City Economic Development Corporation – Explanatory Statement

To Whom it May Concern:

Reference is made to Sections 2897(6)(d)(i) and (ii) of the New York State Public Authorities Law (the "Public Authorities Law") and the requirement set forth therein to prepare and transmit an explanatory statement of the circumstances of each disposal by negotiation of certain property by a public authority (as the term "disposal" is defined in Section 2895(2) of the Public Authorities Law). Section 2897(6)(d)(ii) of the Public Authorities Law requires that such explanatory statement be transmitted not less than 90 days prior to the disposal of the property. Since the transaction contemplated herein falls within the purview of Section 2897(6)(d)(i) and (ii) of the Public Authorities Law, please accept this explanatory statement in satisfaction of the applicable requirements of the Public Authorities Law.

New York City Economic Development Corporation ("NYCEDC"), a New York not-for-profit corporation, is currently the owner in fee of certain property identified as Block 1790 Lot 12 on the tax map of the City of New York, of Manhattan located at 225 East 125th Street (the "Site").

The Site consists of approximately 1,665 square feet of land area and is clear of any structures. It is part of the Harlem-East Harlem Urban Renewal Area.

NYCEDC intends to convey fee title of the Site to the New York City Housing and Preservation Department ("HPD") for One-Dollar and 00 cents ($1.00). The conveyance to HPD will be for the purpose of enabling HPD to convey such right, title and interest in the Site to the developer joint venture of Richman Group Development Corporation, Bridges Development Group, Monadnock Development LLC, Hope Community Development Inc. and El Barrio Operation Fightback ("Developer"). It is contemplated that the Site will be developed by the Developer as part of an approximately 500 unit, 100% affordable housing building, including approximately 79 homeownership units, approximately 420 rental units, approximately 15,000 square feet of commercial space, and approximately15,000 square feet of cultural community facility space and parking (the "Project").

The conveyance to HPD is expected to occur on or about December 31, 2026, and the conveyance to Developer is anticipated to occur within the next 18 months from the date hereof.

The proposed disposition of the Site is authorized by law pursuant to New York General Municipal Law, Article 15, Section 507; and will further promote NYCEDC's mission. The Project is anticipated to promote economic justice by generating affordable housing, private sector jobs, and cultural space for the neighborhood.

NYCEDC has obtained an appraisal of the Site for its highest and best use, by an independent appraiser. The appraisal valued the Site at $2,250,000 based on the highest and best use. This value did not take into account the development requirements and restrictions pertaining to the use of the Site, which includes 100% affordable housing and community facility space. A separate determination by the appraiser, which did take into account the costs of such requirements and restrictions, resulted in a zero-dollar ("NIL") value for the Site.

The disposition was reviewed and approved by NYCEDC's Board of Directors. The sale is expected to occur on or about December 31, 2026.

We appreciate this opportunity to provide you with an explanatory statement regarding the Project and its anticipated public benefit for and positive economic impact on the City and State.

Sincerely,

Christina Rausch (Sep 15, 2026 15:36:20 EDT)

Christina Rausch
Executive Vice President
New York City Economic Development Corporation