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**HPD, HDC, THE HUDSON COMPANIES, RELATED COMPANIES & CAMBA HOUSING VENTURES
CELEBRATE THE RIBBON CUTTING AND GROUNDBREAKING OF NEW AFFORDABLE APARTMENTS AT
THE GATEWAY ELTON DEVELOPMENT IN SPRING CREEK, BROOKLYN**

*197 New Affordable Apartments Completed At Gateway Elton I And 287 New Affordable Apartments
Break Ground At Gateway Elton III*

*With Gateway Elton II Under Construction, When The Three-Phase Project Is Complete It Is Anticipated
To Deliver Nearly 1,000,000 Watts Of Renewable Energy To The Overall Development*



Photo of Gateway Elton I - Courtesy of Hudson Companies

Rendering of Gateway Elton III – Courtesy of Hudson Companies

Brooklyn, NY – The New York City Department of Housing Preservation and Development (HPD) and New York City Housing Development Corporation (HDC) joined co-developers Hudson Companies, Related Companies, and CAMBA/CAMBA Housing Ventures today to celebrate the ribbon-cutting ceremony for 197 affordable apartments at Gateway I, and the groundbreaking ceremony for 287 affordable apartments at Gateway III in the Spring Creek section of Brooklyn. The Gateway Elton I development is located at 1149, 1152, 1165 and 1166 Elton Street and Gateway Elton III will be located at 1062 Elton Street and 475 Locke Street. Gateway Elton II and its 175 apartments are currently under construction at 516 and 526 Vandalia Avenue and 526 Schroeders Avenue. When complete the three phase Gateway Elton project will have created 659 affordable apartments and 711,855-square-feet of new retail space.

"The entire Gateway Elton development is an example of the great potential that lies in every vacant parcel of land left in New York City," said **HPD Commissioner Vicki Been**. "All three phases of this multi-family development include a mix of retail and community spaces alongside affordable housing. The development incorporates an energy-efficient network that uses solar and cogeneration power to provide clean, sustainable energy to all its buildings. The development is an example that we'd like to see replicated citywide. I would like to congratulate Hudson Companies, Related Companies, CAMBA Housing Ventures and all of our development partners for creating this new diverse, energy-efficient and affordable neighborhood."

"The Gateway Elton Development, in its three phase plan, demonstrates our commitment to provide financing programs that create safe, quality, and affordable housing. In *Housing New York*, we set forth a plan to build not just housing, but diverse and thriving communities," said **Gary Rodney, President of HDC**. "I would like to thank Hudson, Related, CAMBA, NY State Office of Mental Health, our sister agency HPD, NYSERDA, elected officials, and all of our partners. Thank you for all your continued efforts to create affordable housing for New Yorkers."

"We have been amazed and honored to witness the transformation of this area of Spring Creek from vacant publicly-owned land to a thriving mixed-use, mixed-income community first-hand. It speaks to the City and State's enduring commitment to economic development and affordable housing in Brooklyn. From the 197 households and locally-owned businesses who now call Gateway I home to the 287 households who will move to Gateway III in 2016, Hudson is proud to have played a role in bringing Elton Street to life. These apartments were built with one guiding principle – respect for the eventual tenant - as every unit has oak floors, a dishwasher, air conditioning and chemical-free paints and finishes. Hudson thanks our dedicated partners in government, our elected officials and financial partners for their continued advocacy and investment in affordable housing. Finally, we must acknowledge Cheever Development and Bruno Frustaci Construction as first-rate construction partners on these developments", said **Aaron Koffman, Director of Affordable Housing at Hudson**.

"CAMBA/CAMBA Housing Ventures is proud to be a partner in the innovative Gateway developments," said **Joanne M. Oplustil, President and CEO of CAMBA/CAMBA Housing Ventures**. "The heart of these projects is 'renewal.' They boast state-of-the-art solar voltaic energy renewal systems – the largest of any residential buildings in the state, as well as much-needed housing, retail space and services. These affordable and supportive homes will bring transformational renewal to both the Spring Creek community and to the people who will live here."

Gateway Elton I - 1149, 1152, 1165 and 1166 Elton Street, Brooklyn, NY

Gateway Elton I has created 197 affordable apartments in four buildings (Buildings B, C, D and E), as well as 17,000-square-feet of commercial, community and Pre-K facility space. Building B is a five-story building containing 50 apartments; Building C is a six-story building containing 29 apartments; Building D is a six-story containing 59 apartments; and Building E is a six-story building containing 59 apartments. Together, the buildings contain 44 studios, 66 one-bedrooms, 71 two-bedrooms, 15 three-bedrooms and an additional two-bedroom apartment for the superintendent.

The apartments are affordable to families earning not more than 60% of the Area Median Income (AMI), the equivalent of an annual income of \$34,860 for a single person or \$49,800 for a family of four. Of the 197 apartments, 40 are set aside as supportive housing for people transitioning to independent living and sponsored by the New York State Office of Mental Health (OMH), and will include rent and case management assistance from the agency. The initial income levels were set according to the U.S. Department of Housing and Urban Development (HUD)'s 2012 calculations and are adjusted annually based on HUD's recalculation of these limits.

Gateway Elton I currently has the largest solar photovoltaic (PV) installation on a multifamily building in New York State at 214,000 watts. All three phases will create renewable energy using solar PV renewable energy systems. This development also includes ENERGY STAR® appliances and fixtures that meet NYSERDA's energy efficiency standards. The project obtained an ENERGY STAR® building label and LEED for Homes Platinum Rating. Creating a tight building 'envelope' with well-insulated walls, ENERGY STAR® HVAC appliances and green fixtures, the Gateway Elton Street development reduces energy and water waste resulting in savings for the tenants, as well as reducing the carbon footprint of the site for the environment.

The total development cost for Gateway Elton I is approximately \$67,898,718. HDC financed the project under the Low-Income Affordable Marketplace Program (LAMP) and provided senior construction financing totaling \$34,820,000 in tax-exempt bonds as well as a subordinate loan of \$12,805,000. HPD provided \$11,820,000 in City Capital. HPD also provided Low Income Housing Tax Credits (LIHTC) in the amount of approximately \$25.9 million. The tax credits will be syndicated by Richman Housing Resources. Gateway Elton I has also been accepted into the New York State Energy Research and Development Authority (NYSERDA) Green Affordable Housing Program. As a result, the building will receive \$531,458 in NYSERDA Multi-Family Performance Benefits.

Gateway Elton III - 1062 Elton Street and 475 Locke Street, Brooklyn, NY

Gateway Elton III, the final phase of the Gateway Elton development, will include 287 affordable apartments in two newly-constructed mixed-use buildings (Buildings A-1 and A-2) and new ground floor retail space. Building A-1 will be an eight-story building that will include two ground-floor retail spaces of approximately 14,618-square-feet and 4,451-square-feet. Building A-2 will be a six-story building that will include one ground-floor retail space of approximately 10,935-square-feet. Both buildings are anticipated to have a community room, computer room, fitness center, laundry facilities, and bicycle storage.

Gateway Elton III will include 57 apartments affordable to households earning at or below 40% AMI; the equivalent of an annual income of not more than \$23,520 for an individual or \$33,560 for a family of four. There will be 29 apartments affordable to households earning at or below 50% AMI; the equivalent of an annual income of not more than \$29,400 for an individual or \$41,950 for a family of four. The remaining 199 apartments will be affordable to households earning at or below 60% AMI; the equivalent of an annual income of not more than \$35,280 for an individual or \$50,340 for a family of four. Twenty-seven (27) of these apartments will be set aside as supportive housing for people transitioning to independent living and sponsored by the New York State OMH. There will be an additional two (2)

apartments reserved for onsite superintendents. The income levels for this development were set according to the U.S. HUD's 2014 calculations.

Building on the Hudson Company's commitment to sustainability, Gateway Elton Phase III will endeavor to produce an estimated 340,000 kilowatt-hours per year of solar photovoltaics, and if successful all three Gateway Elton phases combined will exceed one million watts of renewable energy. Gateway Elton III will also aim to use electric and heat cogeneration technology with accompanying battery back-up, allowing the use of critical building systems in times of need. It is anticipated that the development will achieve LEED for homes Platinum certification.

The apartments are designed with gas-powered hydronic baseboard heating and slip-in air conditioning units. Additionally, each building has one gas boiler. The heat cogeneration technology will use natural gas to generate electricity for the commercial and common area spaces. The "waste" heat from this system will be used to aid with the heating of the domestic hot water supply.

The total development cost for Gateway Elton III is approximately \$105,590,550. HDC funded the development through its LAMP program and provided \$53,850,000 in tax-exempt bonds as well as \$18,655,000 in subsidy. HPD provided \$14,350,000 in city capital funding. The development also benefits from \$47,013,765 in LIHTC that will be provided by HPD and syndicated by Richman Housing Resources. The project will also benefit from the infusion of NYSERDA funds totaling \$398,750.

The City of New York requires that city-subsidized apartments be rented through an Open Lottery System to ensure fair and equitable distribution of housing to income-eligible applicants. The application period for Gateway Elton I is closed. The application period for Gateway Elton III is not yet open. Marketing of the apartments and the application process for the lottery typically begin when construction is approximately 70 percent complete. For more information regarding the lottery process or if you would like to receive an e-mail when application periods are opening for new City-subsidized affordable housing, please visit the Apartment Seekers and Homebuyers pages at www.nyc.gov. Current housing lotteries are also available at www.nyc.gov/housingconnect.

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

HPD is the nation's largest municipal housing preservation and development agency. Its mission is to promote quality housing and viable neighborhoods for New Yorkers through education, outreach, loan and development programs, and enforcement of housing quality standards. HPD is tasked with fulfilling Mayor de Blasio's *Housing New York: A Five-Borough Ten-Year Plan* to build 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 the New York City Housing Development Corporation (HDC):

HDC is the nation's largest municipal Housing Finance Agency and is charged with helping to finance the creation or preservation of affordable housing under Mayor Bill de Blasio's *Housing New York* plan. Since

2003, HDC has financed more than 120,000 housing units using over \$13.7 billion in bonds, and provided in excess of \$1.6 billion in subsidy from corporate reserves. HDC has been the #1 issuer in the nation of mortgage revenue bonds for affordable multi-family housing in each of the last six years. In Affordable Housing Finance Magazine's most recently published annual listing of the nation's top ten funders of multi-family housing, HDC is the only municipal entity on the list. HDC is also the third largest affordable housing lender in the U.S. after Citi and Wells Fargo, ranking ahead of Bank of America, JPMorgan Chase and Capital One. For additional information, visit: www.nychdc.com.