



Mayor Spano, L+M and Yonkers IDA break ground on Warburton Lofts; \$10 million mixed-use project designed by Stephen Tilly and Old Structures Engineering

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Mayor Mike Spano, L+M Development Partners Inc. (L+M) and the Yonkers Industrial Development Agency (IDA) broke ground, marking the start of construction on Warburton Lofts, a historic restoration of loft-style rental apartments and retail space located at 44-50 and 54 Warburton Ave. (aka 6-8 Wells Ave.) across from Philipse Manor Hall. The \$10 million mixed-use project is the latest in a series of developments that is bringing new economic investment to downtown Yonkers, improving the quality of the city's housing stock for all income levels and continuing the downtown's renaissance.

Stephen Tilly, architect, and Old Structures Engineering serves as the design team for the project. The properties will feature restored 100-year old storefronts at street level with over 9,000 s/f of retail space and 10 loft-style apartments above two to four story buildings. Each structure is being restored to its circa 1900 appearance. The building at 50 Warburton was designed by Edwin Quick, the architect responsible for Yonkers' City Hall and 25 other local buildings.

"This innovative project is a wonderful opportunity to turn buildings that have been symbols of urban decay into vibrant active spaces, creating quality affordable housing for Yonkers families and viable retail opportunities for small businesses. These historic buildings, with their newly restored facades will be another visible sign of our downtown's transformation," said Spano, who is also chairman of the Yonkers IDA.

"Restoring these buildings serves as another important step in our work to bring economic vitality back to the heart of one of the largest municipalities in New York State," said Ron Moelis, CEO and co-founder of L+M Development Partners. "We're excited to be involved in a project, which also allows us to honor the City's history while contributing to ongoing change. We thank the City of Yonkers for spearheading efforts to improve the quality and quantity of reasonably priced housing in Yonkers, and look forward to working closely with Mayor Spano and his Administration to reinvigorate the downtown area."

Funding for the Warburton Lofts project includes:

- * \$2.7 million in equity proceeds from Citi Community Capital (Citi), acting as the New Markets Tax Credit (NMTC) equity investor, for a NMTC allocation provided by Greenline Ventures LLC (Greenline);
- * \$1 million of U.S. Department of Housing and Urban Development (HUD) HOME funds from the City of Yonkers;
- * \$2.9 million of Empire State Development Corporation RESTORE NY funds from the City of Yonkers; and
- * \$3.4 million in private financing, including \$1.8 million from L+M Development Partners

In addition, the Yonkers IDA approved an incentive package that includes sales and use tax exemptions for construction materials and equipment, a mortgage recording tax agreement and a structured property tax agreement.

As an affordable housing project, qualifying tenants' income will be capped at 80% of the Westchester County Median Income (AMI).

"The revitalization of the City of Yonkers, with its proximity to Manhattan and access to both rail and water transportation, affords its residents a unique opportunity to live in a historic residential community and work either locally or regionally. Citi is proud to be an investor and continue its long support of L&M Development," said Joseph Curran, a managing director at Citi and Consumer Regional Manager for Yonkers.

"We are excited to participate in this financing, which is the culmination of a collaborative effort to make Warburton Lofts a reality. The strong local support for the project, along with the creation of much needed affordable housing, retail and community space, are all consistent with Greenline's objectives with its NMTC allocation and investment activities. We are also very pleased to have formed a new relationship with L+M Development Partners, an industry-leading firm with an excellent track record and deep understanding of the Yonkers community," said Kermit Billups, Executive Vice President of Greenline Ventures LLC.

Warburton Lofts represents the continued investment by L+M Development Partners in Yonkers in partnership with the City of Yonkers, as well as other public sector entities. L+M completed 330 Riverdale, a 137-unit affordable rental building last spring. Warburton Lofts represents the second phase of an innovative affordable housing development that includes the adjacent 92 unit, 12-story tower under construction at 49 North Broadway, which is projected to be completed in Fall 2012 to coincide with the restoration work for Warburton Lofts. In addition to the restoration of Warburton Lofts, 40 and 42 Warburton Avenue, both privately-owned, will also receive funding through the Empire State Development Corporation from the City of Yonkers and will be undergoing their own restorations this year.

Shown (from left) are: Kermit Billups, Greenline Ventures; city council majority leader Wilson Terrero; Joseph Curran, Citi Consumer; Jonathan Cortell, L+M; Ron Moelis, L+M; Spano; Aimee Vargas, Empire State Dev.; city council member Christopher Johnson; city council president Chuck Lesnick; city council member Michael Sabatino; and Ellen Lynch, Yonkers IDA.

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