



Dunn Development, L+M and PACC celebrate opening of Navy Green

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NYS Homes and Community Renewal (HCR) commissioner/CEO Darryl Towns, N.Y.C. Department of Housing Preservation and Development (HPD) commissioner RuthAnne Visnaukas, N.Y.C. Housing Development Corp. (HDC) president Marc Jahr, Dunn Development Corp., L+M Development Partners, Pratt Area Community Council (PACC), Housing Partnership Development Corp. and Brooklyn Community Housing and Services, Inc. celebrated the completion of Navy Green's first development phase. The first phase of this development includes two mixed-income multifamily buildings and one supportive housing development with a combined total of 314 units of mixed income housing. The 103,000 s/f site formerly known as the "Brig" was built in the early 1940s and served as a naval prison. The development of Navy Green represents a collaborative public-private effort, guided by the local community's vision for the site, to transform a formerly underutilized, industrial block into a thriving, mixed-income, mixed-use development that helps meet the area's need for affordable housing and which brings critical services to the community.

Navy Green is being developed under mayor Michael Bloomberg's New Housing Marketplace Plan (NHMP), a multi-billion dollar initiative to finance 165,000 units of affordable housing for half a million New Yorkers by the close of the 2014 fiscal year. To date, the plan has funded the creation or preservation of more than 156,397 units of affordable housing across the five boroughs, with 37,295 units in the borough, and more than 3,285 of those units in Brooklyn Community Board 2 where Navy Green is located.

Towns said, "As a lifelong resident of Brooklyn, I know how important transforming the Brooklyn Navy Yard corridor has been for this borough. As part of his \$1 billion House N.Y. Program, gov. Andrew Cuomo has made the creation of affordable housing a priority. Working together with our committed partners, Dunn Development and L+M, we now have Navy Green, a prime example of a project that can create badly-needed affordable housing, grow the economy and revitalize a local community."

"Today we are celebrating the realization of a vision that really began ten years ago with a three-day workshop resulting in a set of planning principles, a tentative development program, and a conceptual site plan," said Visnaukas. "There are few investments that we could have made that would mean more to any neighborhood. This first phase of the Navy Green development epitomizes a successful mutual effort by the community, developers, city agencies, and investors to transform what was a derelict, industrial block into a mixed-income, mixed-use development that helps meet the demand for affordable housing in Brooklyn."

"From the time of the American Revolution to the recent past, this site has been part of Brooklyn's complex fabric, yet at the periphery of its residential life," said Jahr. "It is at the periphery no more. This first phase of the stepwise, community driven rebirth of the old Navy Brig is now complete and I

am proud of the part HDC has played in writing this new chapter. None of us could succeed in this effort without our committed partnersâ€”elected officials, government leaders, immensely capable, creative, and committed for-profit and nonprofit developers, and financial institutions. Most important, we have succeeded here thanks to the surrounding community's residents, embodied in the work of PACC, in its board and staff, who deeply care about their neighborhood."

"The name of the project - Navy Green - integrates the 'Navy blue' associated with the history of the site with the sustainable green future of the project," said Martin Dunn, president of Dunn Development Corp. "We're excited to have converted this property from an obsolete use into a vibrant new community using the best practices of sustainable design and green construction. By combining supportive housing and affordable rental and homeownership units with market rate condos and townhouses, all sharing a common green, Navy Green is a model for mixed-income urban community development."

"Over the past 20 years, our work in Brooklynâ€”in partnership with HPDâ€”has shown us how thoughtful, sustainable, and affordable development can transform a neighborhood by bringing new economic and community development opportunities that benefit all residents," said Ron Moelis, chairman and CEO of L+M Development Partners. "Navy Green will not only provide hundreds of much-needed affordable units for Brooklyn residents, it will breathe new life into the area and help bring critical services to the community."

"We are excited to celebrate the success of Navy Green and our new supportive housing residence which has become home to the most vulnerable New Yorkers - those who have suffered long term in their health and with homelessness," said Deb Howard, executive director of Pratt Area Community Council. "Navy Green represents the best practices in community development and the importance of investment in housing that offers a wide range affordability and speaks to the diversity that makes up this great city."

One of Navy Green's multifamily buildings is located at 7 Clermont Ave., and is a 12-story mixed-income rental building. The building includes 112 units, with 22 studios, 32 one-bedrooms, 47 two-bedrooms â€”one of which will be reserved for an on-site superintendentâ€”and 11 three-bedrooms, totaling approximately 110,640 s/f of residential floor area. The building also includes approximately 5,916 s/f of ground floor retail/community facility space.

21% of the units are affordable to households with incomes at or below 40% of Area Median Income (AMI). According to HUD's 2012 income restrictions, this is equivalent to no more than \$33,200 for a family of four. 50% of the units are affordable to households with incomes at or below 60% AMI, or no more than \$49,800 for a family of four. Fourteen percent of the units are affordable to households with incomes at or below 80% AMI, or no more than \$66,400 for a family of four; and fifteen percent of the units are affordable to households with incomes at or below 100% AMI, or no more than \$83,000 for a family of four. There is also one two-bedroom apartment reserved for an onsite superintendent.

The other multifamily building located at 45 Clermont Ave., and is an eight-story, low-income rental building. The building includes 101 units, with a mix of 33 studios, 36 one-bedrooms, and 32 two-bedrooms. This includes one superintendent's unit. The building has a landscaped rear yard and access to the common green area that is part of the larger Navy Green project. 20% of the units will be affordable to households with incomes at or below 40% of Area Median Income, according to HUD's 2012 income restrictions, is equivalent to \$33,200 for a family of four; and 80% of the units will be affordable to households with incomes at or below 60% AMI, which is equivalent to \$49,800

for a family of four.

The PACC Supportive Housing building, located at 40 Vanderbilt Ave., is a 98 unit building that provides housing and onsite services, such as access to medical care, recreation and vocational training, to formerly homeless single adults and low-income single adults through a partnership with Brooklyn Community Housing and Services, Inc. as part of the City and State's New York/New York III initiative.

The Navy Green common green is a central connection point for all buildings and forms the heart of the development. This 32,000 s/f landscaped green is open to residents and their guests from all of the Navy Green buildings and provides a shared amenity that includes active and passive recreation areas, an open lawn, a children's play area, and plaza seating.

The final phases of development will add mixed income homeownership components to the Navy Green project. Construction is scheduled to start this month on 8 Vanderbilt Ave. and the Navy Green Townhouses. 8 Vanderbilt Ave. will be a 12-story building consisting of 98 for-sale condominium units plus one superintendent's apartment, with 74 units at sales prices affordable to moderate and middle-income households and 24 units sold at market rates. The building will also contain roughly 1,600 s/f of commercial/community facility space on Flushing Ave. The Navy Green Townhouses will consist of twenty-three market rate single family homes constructed mid-block on Clermont and Vanderbilt Aves. to complete the development.

Navy Green serves as an example of high-quality, sustainable design and construction. This is the first project in New York State to be certified under the LEED for Neighborhood Development Program, achieving a Silver certification, with 45 Clermont Ave. participating in the LEED for New Construction Program. In addition, 7 Clermont Ave. and PACC Supportive Housing participated in NYSERDA's Multifamily Building Performance Program and received an ENERGY STAR designation. The energy efficient design includes high performance insulation and air sealing systems, ENERGY STAR lighting and appliances, high efficiency heating and hot water systems, low-flow bathroom fixtures and products to improve indoor air quality.

The total development cost for 7 Clermont Ave. is \$36.3 million. HDC provided \$18.2 million in tax-exempt bonds for the construction financing portion, backed by a letter of credit provided by Chase, \$6.96 million for permanent financing and \$7.28 million in subsidy. Funding sources also included \$5.03 million in HPD City Capital Funds and \$2.29 million of HPD HOME funds. HCR provided \$3.93 million in State Low Income Housing Tax Credits. JPMorgan Capital Corporation provided \$13.7 million in equity generated through federal low income housing tax credits awarded by HPD.

The total development cost of 45 Clermont Ave. is \$27 million. Funding sources include approximately \$1.9 million of HPD HOME funds, \$2.1 million of City Capital, \$200,000 of Reso A from the Brooklyn Borough President's office, tax-exempt bond financing from HDC (\$13.7 million during construction and \$2.5 million during permanent period) backed by letter of credit provided by Chase, \$6.5 million in HDC subsidy, and \$13.4 million in equity provided by JPMorgan Capital Corporation generated through federal low income housing tax credits awarded by HPD. HCR provided \$3.78 million in State Low Income Housing Tax Credits. JPMorgan Chase provided more than \$59 million in debt and equity financing to the Navy Green development.

"As New York's largest bank, we are committed to investing in projects that have a sustainable and positive impact on the communities where we operate," said Priscilla Almodovar, head of Chase Community Development Banking. "Not only has Navy Green transformed an underutilized space, it

has created its own community by bringing together New Yorkers from all backgrounds to share modern amenities, while providing affordable housing and critical services to those that need it most."

The total development cost of the PACC Supportive Housing building is \$21.9 million. Funding sources include \$12.2 of HPD HOME funds and \$718,000 of City Capital. The Brooklyn Borough president provided \$200,000 in Reso A funds. The project received \$132,190 from NYSERDA's Multifamily Performance Program, and \$8.6 million of tax credit equity provided by Enterprise Community Investment, a subsidiary of Enterprise Community Partners Inc. (Enterprise).

"Navy Green not only offers hundreds of Brooklyn families with quality, safe affordable homes, but also turns an underdeveloped area into a community of opportunity, complete with supportive services, community spaces, and retail," said Shola Olatoye, vice president and New York market leader, Enterprise. "Additionally, PACC's supportive housing development will enable chronically homeless and low-income adults to have the critical tools they need to get a fresh start on life. We're proud to be a part of this project and provide \$8.6 million in tax credit equity."

The team of L+M Development Partners and Dunn Development Corp., operated as co-developers for the Navy Green project. In addition, Pratt Area Community Council (PACC) developed the 99-unit Supportive Housing building, as well serving as the community consultant on the overall Navy Green development. The design team includes master planner and architect FXFOWLE Architects, Curtis + Ginsberg Architects LLP as architect, Architecture in Formation as design architect of the Supportive Housing building and Brooklyn-based Todd Rader and Amy Crews Landscape Architecture LLC as the landscape architect.

HPD hosted an International Design Workshop in December 2003 to create a vision for the redevelopment of the site. Community residents, local business and community-based organization leaders, elected officials, and staff from HPD and other City agencies participated. The three-day workshop resulted in a set of planning principles, a tentative development program, and a conceptual site plan. Following the workshop, HPD established a 14-member community task force to help the city refine the site plan, and its members approved the Request for Proposals (RFP). The task force played a critical role in the selection of the development team.

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