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## **CPC and Development Unlimited of WNY close \$1.675m construction loan**

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Tonawanda, NY The Community Preservation Corp. (CPC) and David Pawlik, a principal member of Development Unlimited of WNY, LLC, closed on \$1.675 million in construction financing to transform a former school building into a mixed-use property with 14 affordable apartments and new commercial space.

“Adapting existing and underutilized buildings into high quality, affordable housing and commercial space is key to revitalizing and stabilizing communities, especially in smaller cities and suburbs,” said Andrew D’Agostino, senior VP & Western New York regional director at CPC. “Investing in projects like this can give hardworking New Yorkers a chance to put down roots, while bringing stability and economic opportunity to the community. Thanks to our partners at Development Unlimited of WNY, HCR, and comptroller DiNapoli and the State’s Pension Fund for their vision and commitment to revitalizing our communities.”

“Without the assistance of CPC and HCR’s loan program, the renovation of the former school would not be possible,” said David Pawlik, principal member of Development Unlimited of WNY, LLC.

NYS Homes and Community Renewal Commissioner RuthAnne Visnauskas said, “The NYS Small Building Participation Loan program is designed to deliver affordable housing using a flexible financial approach that can accommodate smaller projects. With \$700,000 through this program, 72 East Niagara St. will undergo rehabilitation to transform this underutilized school building into a community asset with 14 affordable homes and ground floor commercial space. We are proud to partner with CPC on this project as we further governor Cuomo’s commitment to creating safe and affordable homes for New Yorkers in Tonawanda and across the state.”

“We are pleased to be an investment partner with the Community Preservation Corp. on this shared mission to help revitalize communities in New York State,” said New York State comptroller Thomas DiNapoli, trustee of the New York State Pension Fund. “I welcome the sound investment we made for our fund that will also help enhance the Tonawanda neighborhood.”

Located at 72 East Niagara St. overlooking the Erie Canal a few miles north of Buffalo, the property is situated in a residential area just east of the town’s main commercial area. The property will undergo a gut rehabilitation and adaptive reuse of the three-story former school building into 14 units of quality affordable housing and 4,000 s/f of commercial space. The ten one-bedroom and four two-bedroom units will be affordable to households earning at or below 80% of the area median

income (AMI).

Apartment finishes will include carpet/hardwood flooring, high quality cabinets, stainless steel appliances including a dishwasher, granite countertops, and secured intercom entry. Common areas will include laundry and tenant storage. The commercial space will be occupied by AMD Environmental, a local environmental consultant group.

Creating new rental housing that will expand the community's housing stock, and new commercial space that will help catalyze economic opportunity supports the goals of the local government and serves the needs of the local residents. Underutilized buildings, including former schools, as well as industrial buildings like mills, theaters, and warehouses, which were once hubs of activity throughout New York can be put back into use as new housing and retail space – again serving as anchors of activity and economic opportunity for neighborhoods large and small.

The development project is taking advantage of New York State Homes and Community Renewal's (HCR) Small Building Participation Loan Program (PLP). The PLP is an affordable housing program that was created with the unique needs of small buildings in mind. To be eligible, buildings can be between 5 to 40 units and must be located outside of New York City. In exchange for keeping the apartments income-restricted to an average of not more than 80% AMI, HCR provides gap financing assistance for qualified developers for acquisition, capital costs, and related soft costs associated with the preservation and improvement of small rental properties. Subsidy from HCR is combined with financing from a participating private institutional lender, such as CPC, resulting in a lower blended financing cost.

CPC is providing a \$1.675 million construction loan, and proposing to refinance with a \$1.675 million permanent loan provided by the State's Common Retirement Fund, fully insured by SONYMA. Additionally, the project will receive \$700,000 of funding through NYS's Participation Loan Program.