



## **Southside United HDFC and CUFFH begin \$67 million Rheingold Senior Residences**

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Brooklyn, NY A groundbreaking ceremony marked the start of construction for Rheingold Senior Residences, a new affordable housing development in the Bushwick neighborhood. Located at 15 Montieth St. on a site that was once part of the Rheingold Brewery, the project is being developed jointly by Southside United HDFC—better known as “Los Sures”— and Churches United for Fair Housing (CUFFH).

Supported by the New York City Department of Housing Preservation and Development’s (HPD) Senior Affordable Rental Apartments (SARA) program, Rheingold Senior Residences aims to set a new standard for deeply affordable housing for seniors and is designed to be age-friendly, both inside and out. Rheingold Senior Residences was also the recipient of a NYSERDA Buildings of Excellence Award and its sustainable design reflects the project team’s commitment to improving the safety and environmental quality of the neighborhood’s streets and buildings.

The total development cost for the project is \$67 million.

The eight story, 94-unit building consists of one-bedroom and studio apartments, which feature angled “sleeping alcoves” to provide a sense of privacy and dignity, along with separate sitting and dining areas within the overall studio space.

Designed to passive house standards, the building will be constructed from materials with low embodied energy and long-term durability. A 39-kwh solar panel system will occupy the roof of the building with centralized heating and cooling powered entirely by an electric heat pump system. This eliminates the need for residents to buy AC units, a unique amenity for the population served and one that will help to mitigate the health impacts of the warming climate. Energy recovery ventilation will also be used to provide dedicated, filtered fresh air throughout the building. Overall, the project anticipates a 44% energy cost savings. The architect for the project is Magnusson Architecture and Planning PC.

Financing was secured by Rockabill Consulting and includes a \$29.5 million construction loan from Chase, a subsidy loan for \$11.2 million through HPD’s SARA program and an allocation of \$1.6 million in Low-Income Housing Tax Credits (LIHTC), also awarded by HPD. CREA LLC and Bellwether Real Estate Capital are providing \$16.3 million in tax credit equity, which is facilitating the

permanent loan to be held by Freddie Mac for \$17.4 million.

In addition to the above sources, mayor-elect Eric Adams and Brooklyn borough president-elect Antonio Reynoso have contributed a combined total of \$7 million in Reso A funds for the construction of the project.

Additional participants in the financing are Local Initiatives Support Corp. (LISC), which provided a predevelopment loan and the New York State Energy Research and Development Authority (NYSERDA), which provided an award through the Buildings of Excellence program and the New York City Housing Authority (NYCHA), which has awarded Rheingold a Project Based Section 8 award for all 93 residential units (exclusive of the superintendent's unit).

To promote social interaction, a day-lit lounge will be built on each floor where residents can gather and connect to the outdoors. Additionally, apartment entrances are recessed from the corridor with a shelf for convenience and to encourage individualization so that seniors can easily identify their own and others' units. Los Sures will manage the property and offer activities such as gardening, art, poetry and healthy cooking classes, as well as more traditional social services.

Outdoor space for residents includes a large landscaped rear yard, an accessible rooftop with raised beds for gardening, and a seating area at the building's entrance where seniors can rest and engage with the neighborhood. Amenities for the wider public include a separately accessible multipurpose room with a warming kitchen that will be open for use by local community groups, as well as several classrooms and an adjacent office space for programming. First floor apartments will be elevated to ensure privacy and a green, planted strip will provide an additional buffer.

Juan Ramos, executive director of Los Sures, said: "Southside United HDFC – Los Sures commitment to seniors in our community remains a priority for our organization. This development will provide affordability and direct services needed to protect the aging and vulnerable population in our city and its energy saving design will help preserve the planet for their grandchildren."

Rob Solano, executive director and co-founder of CUFFH, said: "Rheingold Senior Residences will provide much needed deeply affordable housing and direct services for our seniors in Bushwick. Churches United for Fair Housing is proud to have played its part in bringing about these age-friendly apartments alongside project partners. Our hope is that these residences, with their sustainable design, will remain a standard in the continuation of providing affordable supportive housing for our aging communities."

Richard Brown, principal, Rockabill Consulting and Development, said. "Rockabill is proud to serve as financial advisor for the project and to support Los Sures and CUFFH's comprehensive vision for senior housing with low environmental impact. This community fought hard to bring deeply affordable housing to the former Rheingold Brewery site and it's amazing to see their dream become a reality. We wish to thank our partners, both public and private, for helping us deliver this win for Bushwick."

Sharmi Sobhan, executive director, community development banking, Chase, said: “We’re proud to play a role in financing the development of the Rheingold Senior Residences, which promises to enhance the Brooklyn community with affordable and sustainable housing for seniors. With the pervasive need for affordable housing, we remain committed to working with industry leaders, like Los Sures, Rockabill, and HPD, to help close the gap by supporting the creation of safe and stable places for people to live.”

Jim Gillespie, EVP, Bellwether Enterprise Real Estate Capital LLC, said: “Bellwether is honored to be a part of this fantastic team and to finance the development of 94 units of affordable housing in Brooklyn. Having a strong partner in Freddie Mac allowed us to provide a 36-month forward commitment for 30-year permanent financing with very competitive terms and extended (35 year) amortization.”

Neala Martin, SVP, originator at CREA, said: “CREA is pleased to provide financial support to Rheingold Senior Residences with Los Sures and CUFFH. While this is a new relationship, joining Los Sures’ history in LIHTC, alongside partner Rockabill, gives us fresh perspective and renewed energy toward the importance of affordable housing for all people, in all places. As we continue in the belief that opportunity starts with a safe place to call home, we are encouraged by the possibilities afforded to future residents of Rheingold.”

Janet Lorn, community development officer for Housing, LISC NYC, said: “We applaud Los Sures for its commitment and persistence to bringing new deeply affordable housing to the former Rheingold Brewery Site. LISC NYC has long been proud to partner with Los Sures in serving the Brooklyn community, and we’re thrilled to have provided pre-development financing for the 94 units of affordable housing at the Rheingold Senior Residences in Bushwick.”

Per SARA requirements, 30 percent of the units will be reserved for formerly homeless persons. The remaining units will be for older adults with incomes up to 60% of AMI. All of the residential units will be covered through a project-based Section 8 Housing Assistance Payments (HAP) contract.

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