



## **Hudson Cos., The Jericho Project and HELP USA close on \$214m financing for Brooklyn development**

August 23, 2022 - Front Section

Credit: MHG Architects

Brooklyn, NY The Hudson Cos., The Jericho Project and HELP USA closed on a \$117 million in financing for affordable and supportive housing and \$97 million for a new shelter at Logan Fountain, a mixed-use project developed under the 2016 East New York rezoning that will transform a defunct gas station into permanently affordable housing, transitional housing for homeless families, and retail space. Financing for the affordable housing was provided through tax-exempt bonds from the NY State Housing Finance Agency along with Citi, which provided the construction period Letter of Credit, a subsidy from the New York City Department of Housing Preservation and Development, funding from former council member Rafael Espinal, and tax credit equity with Hudson Housing Capital as syndicator and JP Morgan Chase as investor. Citi provided the loan for the shelter portion, which is backed by a contract with the New York City Department of Homeless Services. Citi will manage the construction disbursement and monitoring for the entire project. The project was designed by MHG Architects and will be built by Broadway Builders, an affiliate of Hudson.

Located at 265 Logan St., Logan Fountain is the city's second development designed with a hybrid model that will include two separate components of affordable housing and a shelter in a 13-story building. The eastern wing will consist of 69 affordable homes for low-income families earning between 50% and 70% of area median income (AMI) and 105 homes for formerly homeless individuals. The western wing will consist of 169 homes for homeless families and individuals being served by the New York City Department of Homeless Services. The building will also include 7,677 s/f of ground-floor retail space. Construction will begin this month, with an expected completion in late 2024.

“Logan Fountain is an innovative model for new affordable housing and transitional housing in a single sustainable building,” said Sarah Pizer, development director, The Hudson Companies. “Residents in both components of Logan Fountain will receive on-site support services tailored to their needs. We are proud to partner with HELP USA and The Jericho Project, who will provide those critical services, and we thank all of our partners for their ongoing collaboration to bring this transformative development to fruition.”

“Jericho Project is thrilled to be partnering with The Hudson Companies to provide supportive

housing to 105 homeless households, including single adults, adult families, and families with children,” said Tori Lyon, CEO, Jericho Project. “Our person-centered, comprehensive supportive services will ensure that tenants are able to maintain long-term stability and thrive in the community.”

“HELP USA congratulates the Hudson Companies on closing the Logan Fountain project and we are thrilled to be the selected transitional housing provider,” said David Cleghom, president, HELP USA.

“Logan Fountain aligns homelessness and housing solutions into one holistic plan to solve the city’s affordable housing crisis,” said HPD commissioner Adolfo Carrión Jr. “This innovative approach, as expressed in our Blueprint for Housing and Homelessness, combining permanently affordable, supportive, and transitional housing in the same development is exactly what our city needs. We’re grateful to Hudson Companies, Jericho Project, and HELP USA for an outstanding proposal and look forward to breaking ground on this project very soon.”

“This project exemplifies the kind of innovation that drives the re-envisioning of underutilized city spaces to create high-quality affordable, supportive, and transitional housing for vulnerable New Yorkers,” said Department of Social Services commissioner Gary Jenkins. “We are proud to partner with The Hudson Companies, The Jericho Project, HELP USA, and others, as we continue to raise the bar on how we are serving and supporting New Yorkers in need. The Logan Fountain model notably aligns with this Administration’s special focus on revitalizing East New York and investing in our underserved communities.”

“Citi Community Capital is proud to have been a part of the financing of Logan Fountain, which is among the most innovative housing projects in the country,” said Richard Gerwitz, managing director, Citi Community Capital. “The project will provide desperately needed affordable housing for working families and service-enriched transitional shelter housing units for families who were previously homeless. The Hudson Companies worked tirelessly with their partners at HELP USA and The Jericho Project to plan, structure, and finance this unique hybrid model.”

“Hudson Housing Capital is proud to partner with The Hudson Companies to finance affordable and supportive housing at Logan Fountain,” said Sam Ganeshan, managing director, Hudson Housing Capital. “This property will provide some of the City’s most vulnerable individuals and families with a high-quality, safe place to live independently. We thank and commend all parties involved, including our investor J.P. Morgan Chase, for their commitment, creativity, and determination to achieve this exciting milestone, and we look forward to seeing Logan Fountain come to fruition.”

“Broadway Builders is proud to be selected to build this landmark project,” said Sally Gilliland, chair of the Broadway Builders. “We look forward to delivering the highest quality housing, using local partners and community members on the construction team, and providing a safe and inclusive workplace for all.”

Logan Fountain will offer an array of amenities to its residents. On the affordable housing side,

amenities will include a fitness room, a landscaped common courtyard with a children's play area, multiple terraces with a garden area, bicycle storage rooms, and laundry rooms. On the transitional housing side, families will have access to outdoor and indoor childcare space, bicycle storage, and laundry room. In addition, on-site providers will offer supportive services tailored to each individual resident's needs. The Jericho Project, a venerable non-profit provider for the homeless, will introduce a host of on-site supportive services and programming for formerly homeless families in the affordable housing residences. At the same time, HELP USA, a nationally-known social service provider for the homeless, will operate and provide client care coordination and services for residents in the shelter.

Logan Fountain is two blocks from the Norwood Ave. J train subway station and a short walk from the Euclid Ave. A train subway station.

The project is a key component of the 2016 East New York rezoning, which will bring \$16.7 million of capital investments to the neighborhood. In developing the investment strategy, the city engaged with the community in 2014 and created the East New York Community Plan to prioritize the need for new infrastructure, parks, community facilities, affordable housing, and support for small businesses.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540