

Columbia Commons/ Columbia Hicks Apartments

BROOKLYN, NEW YORK

Columbia Hicks, LLC

■ Columbia Commons/Columbia Hicks Apartments is a rare multifamily building in the thriving neighborhood of Cobble Hill, where condos and co-ops regularly sell for \$800,000 and townhouses for \$1.5 million to \$4 million. Columbia Commons is unique in that it combines condos and rentals in one building to serve households with a broad range of incomes.

The developer's entry into this attractive section of Brooklyn with a limited supply of workforce housing stock presented some formidable challenges. To overcome public skepticism, the development team worked closely with the local community board, presenting a design that respects the traditional elegance of the community and demonstrating that affordable workforce housing can indeed significantly enhance an affluent urban neighborhood.

This large six-story project, which required rezoning of the property because of height restrictions, provides both for-sale and rental units that are affordable to families at a variety of income levels. Of the 95 rental units, 39 serve households making less than 80 percent of AMI, ten serve those with incomes up to 130 percent of AMI, and the remaining 46 are reserved for households with incomes up to 160 percent of AMI. The 42 homeowner units are designed to be within conforming loans and affordable to first-time homebuyers, with one-bedroom units starting at \$399,000.



Helping make this project financially feasible was a low acquisition cost on land that was roughly 50/50 publicly and privately owned, with the public portion sold as surplus property. Columbia Hicks used a combination of subsidies from the New York City Housing Development Corporation and the Department of Housing Preservation, taxable bonds, a reduction in the upfront mortgage recording tax, and a 25-year tax abatement. The workforce units, which include a 35-year commitment to affordability, benefited from state tax credits.

In order to achieve this innovative financial combination of taxable bonds, tax credit equity, and a standard construction loan, lenders required that a condominium regime—which included six separate entities—be in place ahead of construction. A first for the New York City area, this condominium approach is now common practice.

Columbia Commons/Columbia Hicks Apartments is a model for sustainable development, from its construction methods to finish materials, including highly efficient exterior cavity-wall insulation, motion-controlled hallway lighting, and a boiler that modulates energy use according to load demands. The property provides ready access to several subway and bus lines, as well as to one of the best elementary school districts in New York City.

**Columbia Commons/
Columbia Hicks
Apartments is a model for sustainable development, from its construction methods to finish materials, including highly efficient exterior cavity-wall insulation, motion-controlled hallway lighting, and a boiler that modulates energy use according to load demands.**

Workforce