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\$17M Converts Factory to Housing

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Richardson Lofts

NEWARK--Work is just under way by the locally based Newwork LLC to convert the eight-story, former jewelry factory--at 50-60 Columbia St. here--into 67 rental units. The project, named Richardson Building Lofts, was officially kicked off this morning with a groundbreaking attended by local officials.

"Today, we are once again manifesting Newark's continued transformation by converting this historic industrial building into modern, state-of-the-art rental apartments," says Mayor Cory Booker, in a statement. "These apartments will offer a variety of amenities and features."

The \$17-million project will turn the building into a combination of market-rate (80%) and affordable (20%) lofts. Newwork LLC managing partner Michael Saltzman has set a summer 2009 date for completion, and the finished product will feature a common atrium linking all the units, as well as fitness and business centers and a rooftop garden.

"This is a true public-private effort between a local developer, the city and the Brick City Development Corp.," Joseph Ritchie, CEO of Brick City, tells GlobeSt.com. BCDC is the economic development arm of the City of Newark.

"We're pleased to bring to bear appropriate city and BCDC resources to support this important project," Ritchie says. "It will restore a great historic asset, provide affordable housing and contribute to Newark's 24/7 downtown neighborhood, all while keeping with the city's sustainable development principles."

To support the project's 14 affordable units, the city provided a \$980,000 low-cost loan to Newwork, using funds from HUD's HOME Investment Partnerships Program. PNC Real Estate Finance provided an additional undisclosed amount through a construction loan, and will also monitor construction for both lenders.

The city also included a 30-year tax abatement in its incentive package. BCDC provided assistance with Newwork's approval process, and extended a \$100,000 bridge loan from its First Movers Fund to help Newwork prepare the building for construction prior to drawing on the PNC construction loan.

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