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CITY SELECTS DEVELOPERS TO BUILD OVER 600 UNITS OF AFFORDABLE HOUSING ON SOME OF THE LAST REMAINING CITY-OWNED LOTS

Twenty-five Development Teams to Create Homeownership Opportunities in Brooklyn and the Bronx

Department of Housing Preservation and Development (HPD) Commissioner Shaun Donovan today announced the City's selection of twenty-five development teams to build new homes on 236 City-owned lots. The teams were selected in response to a Request for Proposals (RFP) released in August 2005 through HPD's New Foundations program. More than half of the twenty-five selected development teams are minority or women-owned businesses or not-for-profits.

Resulting in approximately 630 new affordable units, the proposed developments will consist of one- to four-family homes and condominiums to be built on 236 City-owned lots in Brooklyn and the Bronx. These City-owned lots were taken due to tax foreclosure and are some of the last remaining in rem properties to be redeveloped by HPD. To increase the affordability of the units developed on these lots, HPD limited the cost of the land for a nominal fee for the first time ever for its New Foundations program. More than one third of the homeownership units will be affordable to families of four with incomes of \$56,700 or less. Additional affordable units will be available to families of four with incomes between \$56,700 and \$92,170. These affordable units are part of Mayor Bloomberg's \$7.5 billion New Housing Marketplace Plan to build and preserve 165,000 affordable homes for 500,000 New Yorkers over ten years, more than the entire population of Atlanta.

"By developing vacant City-owned land over the past two decades, New York City has successfully revitalized neighborhoods that were once written off and abandoned," said HPD Commissioner Shaun Donovan. "Now that the challenge of abandonment has been met and the supply of City-owned land is nearly exhausted, we are faced with the challenge of affordability. By continuing to provide subsidies and developing new tools like inclusionary zoning, the City is addressing affordability through the Mayor's New Housing Marketplace Plan and providing more opportunities for homeownership. The 2005 Housing Vacancy Survey reported homeownership in New York City at 33%, the highest ever recorded, and we anticipate programs like New Foundations to continue this success."

The selected developers are listed by neighborhood below:

Bedford Stuyvesant, Brooklyn

- Annandale Contracting Inc
- B3 (Bedford Atuevsant Restoration Corp/Bridge Street Development Group/BRP Development corporation).
- Central Brooklyn Community Service Corp/CDI Joint Venture
- Delight Construction Corporation
- ELH Mgmt. LLC
- Habitat for Humanity
- Jobe Development Corporation

Coney Island, Brooklyn

- Astella Development Corporation

East New York, Brooklyn

- Armstrong/Jackson Partners LLC
- Cypress Hill Local Development Corporation
- Horsford & Poteat Realty
- MJF Development Group
- Neighborhood Housing Services of NYC
- Prime Time Building Corporation
- Sun Rock LLC

East Flatbush, Brooklyn

- Prime Time Building Corporation

Ocean Hill/Brownsville, Brooklyn

- Prime Time Building Corporation
- CB Emmanuel Realty LLC/MDG Design and Development LLC
- Central Development Corporation

Dabar Development Partners, LLC

- ELH Mgmt. LLC
- Latent Productions
- New York ACORN Housing Co.
- Stellar Development LLC
- TNS Development Group LTD

Red Hook/Park Slope, Brooklyn

- Columbia Street Partners LLC

Williamsburg, Brooklyn

- Columbia Street Partners LLC
- JF Contracting Corporation

East Tremont, Bronx

- 163rd Street Improvement Council/Wormser

Melrose Morrisania, Bronx

- 163rd Street Improvement Council/Wormser

Developers were selected based on the following criteria:

- Development Team Experience
- Development Team Capacity
- The Ability to secure Financing
- Financial Feasibility
- Greatest Affordability with the least amount of subsidy
- Quality of Design
- Sustainable and "green" technology

Sustainability and "green" technology were considered for the first time ever for New Foundation developments. Proposals that included Energy Star appliances or "smart" building techniques were given additional consideration over other proposals. The proposals were reviewed jointly by HPD and the non-profit Housing Partnership Development Corporation. The Housing Partnership will also assist some developers in obtaining subsidies from the New York State Affordable Housing Corporation.

"We are happy to once again partner with HPD, developers and other nonprofit groups to provide quality, affordable housing for New Yorkers," said Daniel E. Martin, President and CEO of the Housing Partnership Development Corporation. "We look forward to working with the state Affordable Housing Corporation to secure subsidies that will help make these homes affordable for first-time buyers."

Under HPD's New Foundations program, sponsors purchase City-owned land and construct one- to four-family homes and/or cooperatives/condominiums to provide homeownership opportunities to moderate- and middle-income families. Designated developers are responsible for the design, construction and marketing of the homes. Developers are responsible for obtaining or providing all necessary construction financing from private sources. A limited amount of city, state and/or federal subsidies may be available to assist developers with achieving affordability for their projects. Upon completion of construction, the developer sells the homes to families who have agreed to occupy the home purchased. At least one unit in the home must remain owner-occupied for 15 years following the initial purchase of the house from the developer.

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The New York City Department of Housing Preservation and Development's (HPD) mission is to promote quality housing and viable neighborhoods for New Yorkers. The department is the nation's largest municipal housing development agency and is implementing Mayor Bloomberg's New Housing Marketplace Plan to build and preserve 165,000 units of affordable housing over ten years. The New Housing Marketplace Plan is the largest municipal affordable housing effort in the nation's history. HPD also encourages the preservation of affordable housing through education, outreach, loan programs and enforcement of housing quality standards