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CITY ANNOUNCES DEVELOPMENT TEAM TO BUILD AFFORDABLE HOUSING ON NYCHA PROPERTIES IN EAST HARLEM

Phipps Houses and Urban Builders Collaborative to Develop Over 300 Affordable Apartments

New York City Department of Housing Preservation and Development (HPD) Commissioner Shaun Donovan and New York City Housing Authority (NYCHA) Chairman Tino Hernandez announced today the designation of Phipps Houses – one of the nation’s largest and oldest not-for-profit developers, owners and managers of affordable housing – as the lead developer for the creation of 339 units on NYCHA-owned sites in East Harlem. Joining with Phipps is Urban Builders Collaborative, an experienced locally-based development group. The properties, known as Metro-North, are comprised of 17 six-story walk-up tenement buildings on 100th, 102nd and 103rd Streets, all bounded by First and Second Avenues in Manhattan.

At least 300 of 339 units in these developments will be permanently affordable to a range of households earning up to \$42,540 for a family of four and up to \$29,760 for a single person. The remaining 39 units will be affordable to a mix of incomes: between \$56,700 and \$70,900 for a family of four or between \$39,700 and \$49,600 for single people. NYCHA will receive an annual lease payment under the terms of a long-term ground lease for the property. These proceeds will go to help modernize and preserve public housing throughout the City.

“A crucial element of the Mayor’s New Housing Marketplace plan is to address the decreasing supply of developable land in New York City,” said HPD Commissioner Shaun Donovan. “One of the main ways the plan does this is by encouraging close partnerships with other land-owning agencies like NYCHA and working together to increase the supply of affordable housing. This collaboration will ensure that City-owned land is devoted to the city’s hard-working residents and their families. Together, HPD and NYCHA have begun construction on nearly 800 units of housing on NYCHA-owned land, with plans for over 5,000 units more.”

"The cooperative effort between NYCHA and HPD in making affordable housing continues to grow across the City," said NYCHA Chairman Tino Hernandez. "While we are creating the opportunity for more affordable housing to be built in New York, we are simultaneously helping to preserve public housing through the money raised in the long-term leasing of these underutilized spaces."

The sites, which were once Federal Housing Administration foreclosed properties, were given to NYCHA in the late 1980s by the U.S. Department of Housing and Urban Development (HUD). In 1990, NYCHA completed rehab work on the properties and has since operated them as Project Based Section 8 housing. A number of the buildings are currently vacant, and NYCHA is in the process of relocating the remaining tenants to facilitate the redevelopment. Recent residents will have the right to return upon completion of construction. The 100th Street buildings will be rehabilitated, including the addition of elevators, new residential apartments and a day care center on the ground floor. The 102nd Street site, upon demolition, will facilitate new apartment construction. Both portions of the project will include landscaped open space for residents. Union Settlement Association will team with Phipps Houses to provide a Head Start program and other supportive services.

"Phipps Houses looks forward to working with its long-standing partners in government to bring more mixed-income housing to East Harlem. We are also excited to work with locally-based UBC and Union Settlement, and eager to work with other East Harlem-based organizations to make this development a success," said Adam Weinstein, CEO of Phipps Houses.

The new developments are the product of an ongoing collaboration between HPD and NYCHA in which NYCHA property around New York City is used for expanding land opportunities for constructing and preserving affordable housing for city residents. This collaboration plays a key role in Mayor Bloomberg's \$7.5 billion New Housing Marketplace Plan which will provide housing for 500,000 New Yorkers over ten years and is the largest municipal housing plan in the nation's history.

New York City Councilwoman Melissa Mark Viverito and her staff played an important role in moving this development forward including advocating for greater inclusion and preservation of Section 8 units at Metro North.

"As a result of a collaborative process between HPD, NYCHA and my office, we were able to ensure that the original number of Section 8 units were safeguarded and preserved in this new development," said Councilwoman Melissa Mark Viverito. "Additionally, the open green space and sustainable design elements that are part of the design will make this development project a model for the community of East Harlem. I want to thank all those involved-- this project will surely be a wonderful addition to our community."

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