
CITY ANNOUNCES AFFORDABLE AND SAFER HOMES FOR TENANTS AT NOTORIOUS NOBLE DREW ALI PLAZA

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*New Owner, Former Met Mo Vaughn, Will Preserve Affordable Housing for 385 Families
Arrest of 35 Creates Safer Homes for Tenants*

Housing Preservation and Development (HPD) Commissioner Shaun Donovan and Housing Development Corporation President Emily A. Youssouf today announced that financing has been finalized for the sale of the Noble Drew Ali Plaza in Brownsville, Brooklyn to former Met Mo Vaughn and Eugene Schneur, principals of OMNI New York LLC. The acquisition and rehabilitation of the Noble Drew Ali Plaza by ONMI New York will result in the preservation and improvement of 385 affordable housing apartments for low-income New Yorkers as part of Mayor Bloomberg's \$7.5 billion New Housing Marketplace Plan which will provide affordable housing for 500,000 New Yorkers, more than the entire population of Atlanta. Yesterday saw the arrests of thirty five people who had been intimidating residents with guns and pit bulls and selling drugs including heroin, cocaine and marijuana at Noble Drew Ali Plaza. The arrests followed extensive activity by HPD's Narcotics Control Unit, the New York Police Department and the Office of the Special Narcotics Prosecutor. For years Noble Drew Ali Plaza has been known as a housing complex suffering from owner-neglect and crime.

"Today we celebrate new hope for the tenants of Noble Drew Ali as we reclaim the complex as safe, quality affordable housing for low-income families" said Commissioner Donovan. "The tenants of Noble Drew Ali Plaza can now look to the future without being fearful of violent crime or the dangers of hazardous maintenance conditions in their apartments. The 385 apartments in the complex will now be preserved as affordable housing as part of Mayor Bloomberg's 165,000 unit New Housing Marketplace Plan, the largest municipal affordable housing plan in the nation's history. As of this week more than 60,000 units have been financed. It has taken much hard work and cooperation by the City, the tenants and the community to bring responsible ownership to Noble Drew Ali Plaza and today we begin a hopeful new chapter for these buildings. This is the fifth apartment complex where the City has partnered with Mo Vaughn. He has renovated buildings that had been neglected and they are now model buildings in the neighborhood. Their repair and rehabilitation raises quality of life in those neighborhoods and restores hope to the building's tenants."

Mo Vaughn, Principal of OMNI New York LLC said "This is a great day for the residents of Noble Drew Ali Plaza. We look forward to bringing responsible ownership to this complex and providing affordable and safer homes to the residents. OMNI is committed to repairing the buildings, including new safety and security, while making sure the current tenants will still have affordable rents. With the support of Mayor Bloomberg, Councilman Barron, Borough President Markowitz, HPD, HDC, HUD, NYCHA, Brooklyn Legal Aid and the Tenants Association, Noble Drew Ali Plaza will no longer be a name associated with the worst housing in the city but instead with safe and affordable housing."

Affordability for the tenants of Noble Drew Ali Plaza will be preserved thanks to low income housing tax credits, \$30 million in tax-exempt bonds issued by the New York City Housing Development Corporation (HDC) and a low-interest loan through HPD's HUD Multifamily Preservation Loan Program. Brooklyn Borough President Marty Markowitz contributed \$1 million in Reso A funds. The non-profit ACORN will provide on-site social services for the residents.

"We have had a terrific working relationship with Omni and HPD on the preservation of four developments in Brooklyn and the Bronx since we began working with them in 2004," said Housing Development Corporation President Emily Youssouf. "There are few clearer examples of the positive results that occur when private dollars are invested in affordable housing through HDC bonds. Our new partnership with Omni and HPD is just one of the many ways that we are using leading edge and innovative housing finance practices to improve and expand the affordable housing supply for low- and middle-income to New Yorkers. It's also an example of the type of work that has led us to become the No. 1 affordable housing bond issuer in the United States."

Noble Drew Ali Plaza was developed on a formerly City-owned site in 1973 by the Brownsville Community Council and the Moorish Science Temple of America. The complex has had a notoriously troubled and complicated history characterized by mismanagement and litigation culminating in Chapter 11 bankruptcy proceedings. The recent history of the complex dates from 1996 when Noble Drew Ali (NDA) Housing Corporation acquired the property from the U.S. Department of Housing and Urban Development (HUD) for \$10, subject to a deed requiring rehabilitation of the property as well as certain use and affordability restrictions. However, NDA Housing Corporation failed to make the necessary repairs or provide essential services. In March of 2005, NDA Housing Corporation filed for Chapter 11 Bankruptcy. Because of the poor conditions at the property, by 2006, most of the tenants had stopped paying rent and the property showed signs of neglect and disrepair. In March 2006, HPD and the Tenants Association began a legal proceeding seeking the appointment of a responsible administrator for the property. In April 2006 an agreement was reached with NDA Housing Corporation requiring the installation of a new management company, Wavecrest Management Ltd. Over the next year, HPD worked with the Law Department, HUD and HDC to bring about the sale of the property from NDA Housing Corporation. Through a Request for Proposals for a new owner to which several bidders responded, OMNI New York LLC was selected.

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. As part of Mayor Bloomberg's PlaNYC HPD is working to create homes for almost a million more New Yorkers by 2030 while making housing more affordable and sustainable. HPD also encourages the preservation of affordable housing through education, outreach, loan programs and enforcement of housing quality standards.

HDC is the nation's leading issuer of affordable housing bonds, having issued \$1.65 billion in bonds in 2006 and \$1.54 billion in 2005. The Corporation is working to fulfill Mayor Michael R. Bloomberg's pledge under the New Housing Marketplace Plan to create 165,000 affordable housing units by 2013. Created in 1971 by the State of New York, HDC is a public benefit corporation that finances the construction and preservation of affordable housing in New York City.