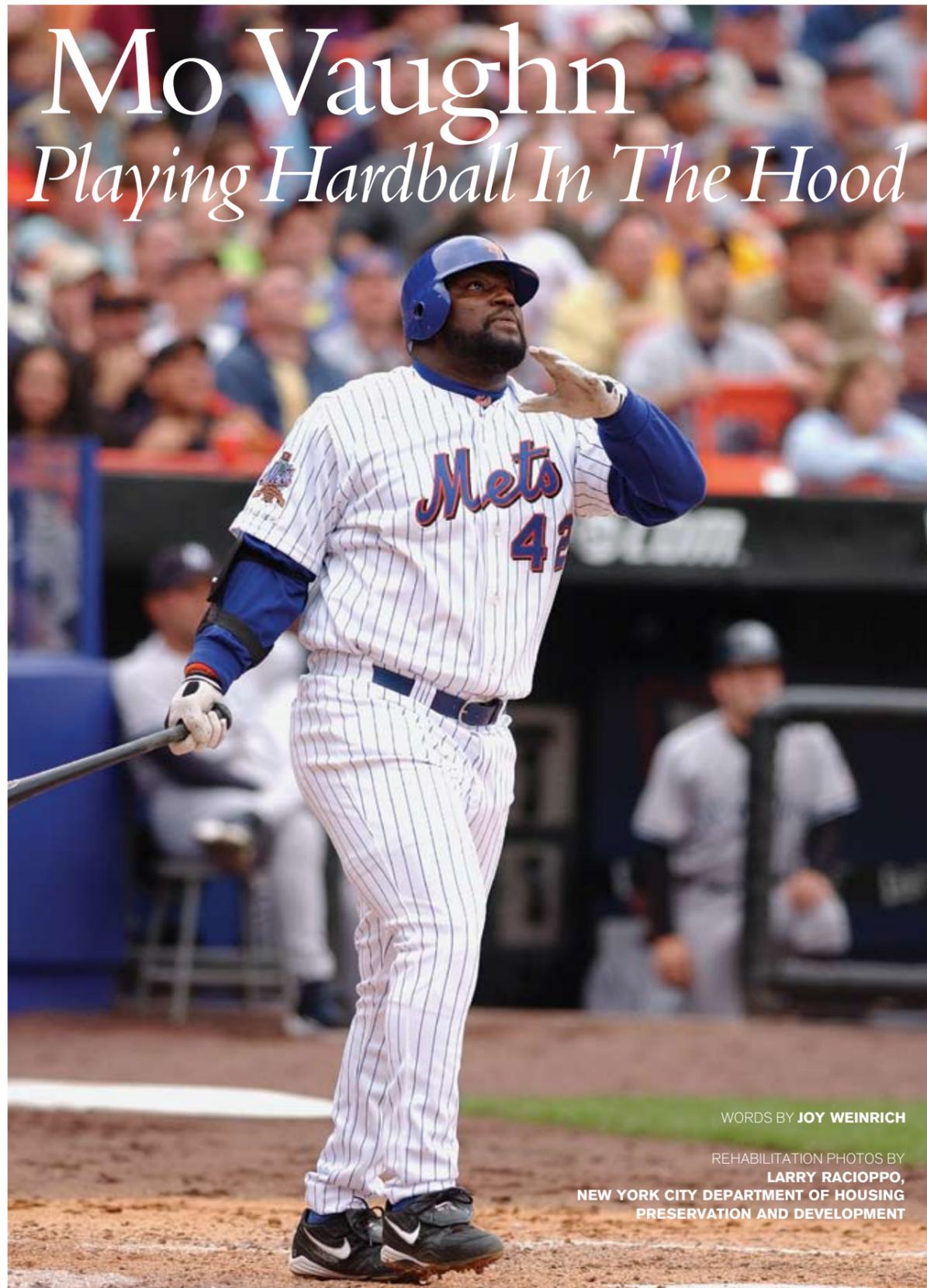


Mo Vaughn

Playing Hardball In The Hood



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It is not uncommon for retired professional athletes to dabble in real estate after hanging up their cleats, helmets and mouth guards, but few dive into the affordable housing sectors of the business. Leave it to Mo Vaughn to assemble a team of extraordinary businessmen, doubled as humanitarians, to take over New York as no other athlete has. White picket fences, dogs barking in beautifully manicured yards, the smell of fresh baked cookies filling the air...not quite descriptive of New York City Public Housing. Now, picture doors riddled with bullet holes, vermin infested apartments, halls plagued with strung out drug addicts...reminiscent of a scene out of the HBO Series "The Wire". This is what Mo Vaughn and his partner Eugene Schneur not only walked into, but actually sought after.

Most remember Maurice 'Mo' Vaughn through his 12 year career in baseball. A first round draft pick for the Red Sox in 1989's Amateur Draft where Mo clutched the American League MVP in 1995. Eventually leaving Boston to redeem a guaranteed \$88 million contract with the Anaheim Angels through 2004 (highest contract in baseball at the time), Mo suffered a flurry of injuries that would lead to his trade to the NY Mets in 2002. It was the same reoccurring knee injuries that prevented him from reaching his potential in "The City That Never Sleeps." He made the decision to retire after being diagnosed with a permanently

damaged knee, only repairable with a knee replacement. His decision to leave baseball and dive into a new career would affect New York City in a way they would have never imagined.

2004, end of Mo's baseball career and the birth of Omni New York LLC. Founded by both Mo and Eugene (better known as Gene), Mo is back in the headlines in a whole new way; settling comfortably among New York City's politicians, as well as NYC Public Housing Tenants. With low income housing projects in Yonkers, Bronx, Brooklyn and even branching upstate into Poughkeepsie, Omni New York's success is so abundant the Big Apple is almost forgetting Mo ever played baseball! Well...maybe that's taking it a bit too far.

The latest rehabilitations are taking place in Brooklyn and are definitely cause for celebration. Partnering with Mayor Bloomberg as part of Bloomberg's \$7.5 billion new housing plan, Omni NY recently began the renovations at their newly acquired property, the notoriously known Noble Drew Ali Plaza purchased for \$20 million, with another \$23 million going into the property's transformation.

The first steps towards change began on the block with a crackdown of 35 arrests this past summer. The Noble Drew Property was a prosperous, beautiful complex throughout the 70's. Through a series of slum lords with promises that were nev-



L-R: Mo, New York Department of Housing and Community Renewal Commissioner Deborah VanAmerongen, Brooklyn Borough President Marty Markowitz, Office of Special Narcotics Prosecutor Bridget Brennan, Department of Housing Preservation and Development Commissioner Shaun Donovan, City Council Member Charles Barron.



er kept, years passed and Noble Drew continued to breakdown. Tenants, specifically 10 women who jumped into cabs and headed for the housing authority, finally had enough and screamed loud enough for Councilman Charles Barron to hear. Eventually Brooklyn Borough President Marty Markowitz, Mayor Bloomberg and Omni NY heard the cries for help as well.

Inspector Jeffrey Madri believes “no-one should live in fear. The residents here at Noble Drew have been threatened, have witnessed deaths and faced evictions in their quest for a peaceful home. This is unacceptable.” The 73rd Precinct stepped in and began the clean up and Gene and Mo went before the board and tenants to hear complaints and agreed to adhere to the stringent guidelines to take over the property. Mayor Bloomberg admits, “managing housing in New York, taking on some of the most problematic housing in the city, I questioned whether Mo and Eugene’s vision and hopes would actual a reality...they have completely succeeded with this and the other properties they have rehabilitated.”

With another newly acquired property, Remeeder just a few blocks away, residents of the borough have coined this “The Brooklyn Renaissance.” This revival isn’t magically done...and Omni New York has not just brought properties and put them in the hands of employees to watch over. Each property is renovated and maintained under the watchful eyes of both Mo and Eugene. “We oversee each step in the process, from the initial meetings to obtain the property, the walk through and tenant meetings



to find out the problems with the property, renovations and repairs, all the way through to the completion and maintenance. We’ve signed up for a 30 year commitment to these residents,” Vaughn continues “This real estate thing was new for me, so being involved every step of the way also helped as a teaching tool. That coupled with just watching and learning from Gene. Quite honestly Gene really taught me how to be a businessman. Simple things like being on time and being accountable to the logistics of the business. Let’s just be real, the life of an athlete isn’t always structured with a whole lot of time constraints.”

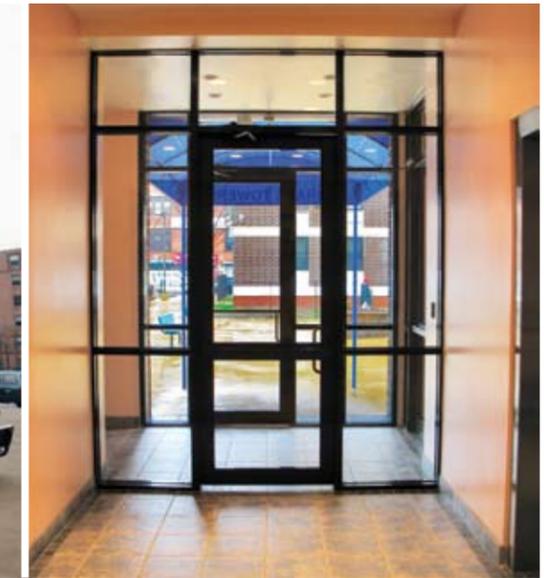
Mo stayed quiet and observed as his partner headed meetings and secured deals. “In the beginning Mo’s name got us meetings, who’s going to turn down a sit down with Mo Vaughn? But he’s not giving himself enough credit. Initially I took the reins but now Mo is closing deals on his own, he doesn’t need me at all,” Eugene exclaims.

In-fact this dynamic duo has figured it out. Gene, “Mo spends a lot of his time on the properties. He really is so much better at connecting with the tenants, I think I’m just stiff” he chuckles, “but we are in this from the soup and nuts of it.”



As Mo and Gene walk the grounds, tenants walk past greeting these two by name. It becomes quite apparent this is not a quarterly visit. Mo and Gene look at cabinets that are in the leasing office, decide that the price and durability just aren’t going to cut it. “This is unlike any other business. We are dealing with government money. We have to put out a quality product and manage it, otherwise there’s a real problem. Not only legally, but more importantly what we are doing is affecting lives in a real way,” Mo explains.

The renovations are nothing short of amazing. Windows are replaced, walls reconstructed, grounds beautified. The hardest part and the most costly of the renovations will be the management of the property, when everything is complete. “We’ve installed about 350 security cameras in Noble Drew and plan on at least 200 in Remeeder, adding security booths...there won’t be any area that cannot be seen at any given moment...even the stairwells will be monitored,” which Mo reiterates in his initial meeting with the Remeeder leasing and maintenance staff. “Don’t wait to report graffiti or a busted camera, notify us right away so we can go to the tapes and reprimand the culprit right away, that’s gonna be the key to keeping our property beautiful and safe.”



With millions out of pocket to buy, revamp and maintain each property, Omni New York will still turn a profit. Some of this is financed through low income housing tax credits, millions in tax-exempt bonds issued by the New York City Housing Development Corporation (HDC) and low-interest loans through HPD’s HUD Multifamily Preservation Loan Program, among other contributions.

“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 Yousouf. Adding “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 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.”

“We are a “for profit” company, this is just a win-win situation all the way around,” Gene emphatically adds.

Omni New York has also achieved success using the same blueprint in Wyoming, and has hopes to do the equivalent in cities such as Miami, Boston and others across the nation. With the Mayor of New York, Councilmen, and residents of the properties all raving about Omni New York’s dedication to each rehabilitation, Mo and Gene are definitely hitting home runs. **M**

