



Local News Release

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HUD SIGNS AGREEMENT WITH NEW YORK CITY TO CREATE HUNDREDS OF NEW HOMEOWNERS **Historic HUD/HPD Pact Includes Veterans Preference**

NEW YORK ♦ U. S. Housing and Urban Development Secretary Alphonso Jackson was joined by New York City Mayor Michael R. Bloomberg and a host of nonprofit groups today in Brooklyn, New York to announce an agreement that allows the sale of 300 HUD-owned single family properties to New York City, thus creating hundreds of new affordable homes in Brooklyn, the Bronx and Queens. This marks the first occasion nationwide that a HUD Asset Control Area (ACA) Program participant will set aside one-third of the ACA-acquired properties for active duty military personnel and returning veterans of Operations Enduring Freedom and Iraqi Freedom.

"As we prepare to give thanks during this holiday season, let us remember to say a special thank you to all U.S. military personnel and their families for securing our nation and protecting our freedom," said Secretary Jackson. "We hope that by executing this ACA Agreement, we will be able to demonstrate our appreciation of their extraordinary service by offering them affordable homeownership opportunities via HUD's Asset Control Area Program."

Under HUD's ACA Program, localities and non-profit groups may purchase HUD-owned single-family properties at deep discounts. The Program, which was created by Congress in 1998, aims to energize areas that have low homeownership rates, combat real estate speculators and their practices, and reduce the number of government foreclosed homes.

The proposed ACA Agreement between HUD and the City of New York will allow the City to acquire 300 properties over a two-year contract. In addition to qualified military personnel having an opportunity to become first time homebuyers, hundreds of other families having an income at or below 115% of the area's median income will also be given this same opportunity.

"Housing Secretary Jackson's leadership is indispensable in advancing President Bush's vision of creating 5.5 million new minority homeowners by the end of this decade," said HUD New York and New Jersey Regional Administrator Sean M. Moss. "To assist us in this effort, the HUD ACA Program will not only create the American Dream for more New Yorkers, but also serve to strengthen and revitalize several of the City's most cherished and oldest communities."

The Agreement calls for the New York City Department of Housing Preservation and Development (HPD) acquiring ACA Program properties in Bedford Stuyvesant, East New York, Bushwick and Cypress Hills in Brooklyn; Jamaica in Queens; and, the North West Bronx. The 300 properties will include a mixture of one, two, three, and four-unit buildings.

Under the Agreement, HPD will work with the Neighborhood Restore Housing Fund Corporation (NRHFC), the Enterprise Foundation, and Local Initiatives Support Coalition (LISC) to administer the ACA Program in New York. Each of the team

members in the Agreement will have a distinct role in the administration of the ACA Program. For example, HPD will serve as the sponsoring municipal entity, that will oversee the Program and indemnify HUD in the event that any of the other partners/team members fail to comply with the terms of the ACA Agreement; the Neighborhood Restore Housing Fund Corporation will be responsible for actually rehabilitating and reselling the ACA Program properties; and, The Enterprise Foundation and LISC will work with lenders to obtain the capital needed for acquisition, construction financing, and development.

The announcement was held in Cypress Hills, Brooklyn. In addition to Mayor Bloomberg, Secretary Jackson was joined by Shaun Donovan, HPD Commissioner; Bart Harvey, President of The Enterprise Foundation; Denise Scott, Managing Director of LISC; Tom Ciano, Executive Director of Neighborhood Restore; Naomi Bayer, Director of Fannie Mae's New York Office; and, Michele Neugebarger, Executive Director of the Cypress Hills Local Development Corporation.

HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development as well as enforces the nation's fair housing laws. More information about HUD and its programs is available on the Internet at www.hud.gov and espanol.hud.gov.

U.S. Department of Housing and Urban Development

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