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# Making History in a Brooklyn Neighborhood

By **JEFF VANDAM**

WHEN Habitat for Humanity New York City consulted an architecture firm on its new site in the Ocean Hill section of Brownsville, Brooklyn, it received a response that switched on a light bulb. The firm, Dattner Architects, said that Habitat could proceed with its plan to build 12 town houses on the trash-strewn vacant lot, but that the site was actually capable of supporting many more units in apartment form — 41, to be exact.

The result, nearly three years and one entirely new development model later, is the largest creation in Habitat's history, an \$11.6 million three-building complex on Atlantic Avenue, complete with LEED Gold certification. About 10,000 requests were received for the 41 slots; the applicants eventually selected were required to make down payments of 1 percent on the building's condominiums, which ranged in price from \$75,000 to \$200,000. They were also required to invest 300 hours of work, which Habitat, a nonprofit organization, calls "sweat equity," in the development.

"In the past, they were building single-family dwellings, not a 41-unit complex as they did here on Atlantic Avenue," said Rosalyn Jolly, a hospital clerical associate who recently moved from a cramped one-bedroom in Bushwick into a two-bedroom in the complex with her 15-year-old daughter. "It's a wonderful thing."

Now, perhaps with the notion that it is onto something, Habitat has begun altering its model in New York City. The volunteers so often photographed putting up the walls of a standalone house, sometimes with a smiling Jimmy Carter in tow, are now helping erect larger buildings (alongside future residents). And the city's branch of Habitat just learned last week that it will receive about \$10.5 million in funding from the federal Department of Housing and Urban Development, part of a \$2 billion outlay to help nonprofits and governments expand their services for affordable housing.

In the South Bronx, a 50-unit co-op building on Fox Street is mostly finished, and in February, Habitat will begin taking applications for a development a few blocks away. The 63-unit building on Prospect Avenue at Macy Place, for which final city approval was recently granted, is rising above the neighborhood, visible from the elevated train platform of the 2 and 5 subway lines down the street. Volunteers are to start work there in March.

“New York is a very dense city,” said Ingrid Gould Ellen, a professor of public policy and urban planning at New York University’s Wagner Graduate School of Public Service. “So I think that building to the density levels that fit into the neighborhood landscape makes a lot of sense.” The affordable-homeownership market, she said wryly, “is not a market that is glutted right now.”

Yet Habitat is taking on this new role of low-income condominium developer at a difficult time for such housing in New York. In fiscal year 2009, a 16-unit Habitat development in Bedford-Stuyvesant was the only below-market-rate homeownership deal to close with the city’s Department of Housing Preservation and Development. (In 2008, the total number was 24; in 2007, 27.) While Habitat works in ownership situations, the rental market is also struggling; the number of affordable units available per 100 extremely low-income households in [New York State](#) fell to 36 from 38 in 2008, according to the [National Low Income Housing Coalition](#).

This situation exists despite Mayor [Michael R. Bloomberg](#)’s \$7.5 billion affordable-housing initiative, created in 2003, which seeks to “create or preserve” 165,000 units. With 97,000 units financed thus far, according to the housing agency, the plan is on track to meet its goals by 2014, but demand remains high; the city’s vacancy rate is 2.9 percent.

In this environment, Habitat has tripled its number of units under construction in the past six months — thanks in part, it says, to its sweat-equity ownership model.

“Ideally, in our quest to serve as many families in need as possible, what we want to do is to be as nimble and as entrepreneurial as possible,” said Josh Lockwood, Habitat’s executive director in New York City.

Applicants, 90 percent of whom are typically rejected quickly, must submit to a home visit and interviews as well as maintain a 620 credit score. Under a loan agreement between Habitat and the [State of New York Mortgage Agency](#), buyers putting in 300 hours of work on their buildings receive a 2 percent interest rate, which Habitat buys down to zero percent. In addition to the 1 percent they put down, buyers make monthly payments equal to a third of their incomes.

“We don’t give anything away,” Mr. Lockwood said. “These families have to build their own homes.”

The cost of building for Habitat is reduced further by fund-raising and the large pool of volunteers. Of course, given market conditions and land availability in the city, not every new endeavor can be as ambitious as the Ocean Hill complex.

In the [Bronx](#), Habitat’s two new buildings are partnerships with the Blue Sea Development Company, which has worked with the city on affordable housing in the past. That means about three-quarters of the units will not be sold under the Habitat sweat-equity terms described above — although they will still be sold below market rate, and are therefore considered affordable

housing. Indeed, the word “Habitat” isn’t in evidence on the banners on those buildings (the words “Affordable Housing” are); Habitat says it is marketing its share of the units through its normal means.

“The hope is that we can use both models,” Mr. Lockwood said.

Either way, new residents are happy. Taking a group of visitors through her family’s earth-toned two-bedroom at Atlantic Avenue, Mirian Rodriguez spoke with pride, and some surprise, about the construction skills she had learned over the last year.

“I knew what Sheetrock was, but I didn’t know how to put it in,” she said. “You had to be on your knees.” She works part time at Jamaica Hospital; her husband, Miguel Baez, works as a porter in [Manhattan](#).

Their place is filled with new appliances, a gift from her parents (“It was on sale,” she says), along with a big-boy bed for her son, Adrian, and all the Hot Wheels paraphernalia that can fit in one child’s room. It’s a far cry from the tiny one-bedroom they rented in Cypress Hills, Brooklyn, with crime and commotion in the hallways. The new place is quiet and comfortable, and it smells good.

“We’re very thankful,” she said. “It’s ours.”