

News

For Immediate Release

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STELLAR MANAGEMENT AND CAMBA HOUSING VENTURES ACQUIRE CASTLETON PARK

-- Development Team Closes on Loan with NYC Housing Development Corporation for Purchase and Rehab of 454-Unit Staten Island Affordable Housing Complex --

-- Long-term Affordability for Tenants to be maintained under Mitchell-Lama Housing Program --

New York, NY – July 23, 2015 – In an effort to preserve and restore a 454-unit Mitchell-Lama Affordable Housing development located in St. George, Staten Island, [Stellar Management](#) and [CAMBA Housing Ventures](#) today announced that they have acquired Castleton Park. Working in coordination with the NYC Housing Development Corporation (HDC), NYC Department of Housing Preservation and Development (HPD), the U.S. Department of Housing and Urban Development (HUD), the development team will be able to maintain long-term affordability for tenants at the property.

Through HDC tax exempt bonds, the new owner will embark on a \$30 million-plus renovation and rehabilitation project at the 40-year-old development. Upon conversion to permanent financing, HUD will provide mortgage insurance through the HUD 542c risk sharing program. The use of Section 8 Project Based Assistance and Section 8 enhanced vouchers will allow the development to maintain long-term affordability for existing and future tenants and to remain in the Mitchell-Lama housing program.

“We’re proud to be able to restore one of Staten Island’s largest affordable housing developments and to maintain rent affordability programs for the tenants,” said Francine Schiff, Vice President of Residential Leasing at Stellar Management. “Together with CAMBA and the City of New York, we look forward to providing tenants with the safe, well-maintained, and well-managed housing they deserve.”

Construction work is anticipated to begin in August 2015. The building façade, the parking area, elevators, and mechanicals will all be rehabilitated through the development team’s two-year construction plan. Additionally, significant repairs and improvements will be made to each unit’s bathroom(s) and kitchen, as well as common hallways and other common areas. Enhancements will also be made to the security system at the complex, including exterior fencing, lighting, security cameras, and the continuation of 24/7 security.

While Stellar will continue to provide property management services, CAMBA will perform a needs assessment to develop and provide on-site social services best suited to the needs of the tenants. CAMBA and CAMBA Housing Ventures are also assisting tenants to complete enhanced voucher Section 8 applications during the conversion process.

“The loss of affordable housing is one of the most critical issues facing New York City today, and CAMBA and CAMBA Housing Ventures are proud to be partners in keeping 454 homes in the Castleton Park Mitchell-Lama complex affordable to low- and middle-income Staten Island residents,” said Joanne M. Oplustil, President and CEO of CAMBA/CAMBA Housing Ventures. “Working with Stellar Management, HDC, HPD, and HUD, we will be able to preserve Castleton’s affordability, make much-needed repairs and provide onsite social services to help connect residents with opportunities that enhance their quality of life.”

Of the 454 total units, 139 units will be covered under the existing Housing Assistance Payment (HAP) contract and the development team is working with HPD to ensure that those who qualify for Section 8 enhanced vouchers will receive the necessary assistance. Together, these two programs are anticipated to provide assistance to over 90% of tenants at the development. In addition to continuing to provide rental assistance through the Section 8 program, Stellar and CAMBA Housing Ventures are working with the Tenants Association to ensure affordability is maintained for all remaining tenants, including those households not eligible for assistance under Section 8. For those tenants, a Landlord Assistance Program (LAP) has been developed for the existing tenants who do not qualify for an enhanced voucher based on a household income above 95% of Area Median Income.

“Castleton Park reflects the City’s commitment to preserving Mitchell-Lama housing, investing not just in much-needed affordable housing, but in stable, sustainable neighborhoods, the backbone of our City and the *Housing New York* plan,” said HDC President Gary Rodney. “This project will maintain long-term affordability, while providing critical renovations to the property as well as to individual units, improving the quality of life for more than 450 families. I am grateful to my team at HDC, our colleagues at HPD and HUD, and our many development and financial partners for their efforts to ensure safe, quality affordable housing for New York City residents.”

“Mitchell-Lama housing has long served as a resource of affordability for hardworking New York families, and the preservation of properties like Castleton are critical to promoting stable and diverse neighborhoods,” said HPD Commissioner Vicki Been. “This financing plan will provide the resources needed to rehab the property and put it on a path to long-term physical and financial health.”

“We look forward to continuing our relationship with the Tenants Association and to work with all parties involved so that we are serving the tenants to the best of our ability,” said Jerry Thomas, Executive Vice President of Stellar Management. “As we have done before, we will create an on-going and cooperative partnership to ensure a positive living environment.”

This is not the first time that Stellar Management has committed to a development project such as this. In 2010, the firm secured a deal with HDC to purchase and refinance Tivoli Towers – a 33-story, 320-unit Mitchell-Lama development in Crown Heights. Similar to the plan for Castleton Park, Tivoli Towers was rehabilitated and, through the refinancing of the property and with the use of the Section 8 enhanced voucher program, the complex was able to maintain its status in the Mitchell-Lama housing program. Additionally, Stellar voluntarily created a LAP to provide rental assistance for tenants.

CAMBA Housing Ventures is an award winning community based affordable housing developer and CAMBA has a long history of providing supportive services to New Yorkers living in affordable housing developments. CAMBA/CAMBA Housing Ventures provide housing and services in the five boroughs which connect people with opportunities to enhance their quality of life.

Castleton Park, located at 165-185 St. Marks Place in Staten Island, is comprised of two 19-story building offering a mix of studios, 1-, 2-, and 3-bedrooms. Additionally, an underground parking structure with 405 rentable spaces sits on the property.

Support from Staten Island Elected Officials for the Castleton Park plan:

"We're very pleased with the commitment Stellar Management and CAMBA have shown to keep Castleton Park affordable while also giving it the revitalization it needs," said State Senator Diane Savino.

"This is a job well-done by the several groups involved who were able to come together to make this work in favor of the Castleton Park residents," said Assemblyman Matthew Titone.

"Thanks to a close relationship between Stellar Management, CAMBA and the Castleton Park Tenants Association, this plan will address Staten Island's need for affordable housing," said Councilwoman Debi Rose. "I look forward to working with all parties to maintain affordability for residents and ongoing oversight."

About Stellar Management

For over 30 years, Stellar Management has been one of New York City's premier owners and operators of residential and commercial real estate. The company focuses on real estate acquisitions, development and property management. Stellar Management has expertise in full service partnership with a high level of capacity and taking projects from conception and planning through construction completion and management. The firm also has vast experience working City-wide.

Stellar's portfolio contains over 12,000 apartments in 100 buildings in New York City and Miami. The company offers tenants superior, personalized service, creating a lasting reputation for its dedication to its residents as well as its refurbished and renovated buildings. In addition to its residential holdings, Stellar owns over two million square feet of office space. The company has increased its presence in other urban centers across the country, bringing its brand of property management and building modernization to the Miami areas, while maintaining a focus, and its headquarters, in New York City.

About CAMBA/CAMBA Housing Ventures

Founded in 1977, CAMBA, Inc. is one of New York City's largest community-based social service organizations, with a budget of more than \$113 million and a diverse staff of more than 1,600 employees. Our mission is to provide services that connect people with opportunities that enhance their quality of life and develop their communities. CAMBA annually provides services to more than 45,000 individuals and families in six core areas: Economic Development; Education and Youth Development; Family Support; Health; Housing; and Legal Services. CAMBA clients are those who are: moving from welfare to work; individuals and families experiencing, at risk of or transitioning out of homelessness; individuals living with or at risk of HIV/AIDS; immigrants and refugees; children and young adults; entrepreneurs; and others

struggling to overcome barriers to self-sufficiency. When provided with resources that are meaningful and culturally relevant, CAMBA's clients make tremendous contributions toward strengthening their own lives and communities.

In 2005, CAMBA created CAMBA Ventures, Inc. (CHV), an affiliated development corporation, to address the City's affordable housing crisis. The mission of CAMBA Housing Ventures is to develop sustainable and energy-efficient buildings that provide safe and affordable housing for low-income and formerly homeless individuals and families. To date, CHV has developed 605 units of affordable housing, representing \$174 million in public and private investment. CHV envisions vital neighborhoods where sustainable and affordable housing plays a critical role in the long-term economic and social success of lower-income individuals and families.

About the NYC Housing Development Corporation (HDC)

HDC is the nation's largest local Housing Finance Agency and is charged with helping to finance the creation or preservation of affordable housing under Mayor Bill de Blasio's Housing New York plan. Since 2003, HDC has financed more than 120,000 housing units using over \$13.7 billion in bonds, and provided in excess of \$1.6 billion in subsidy from corporate reserves. HDC has been the #1 issuer in the nation of mortgage revenue bonds for affordable multi-family housing in each of the last three years on Thomson Reuters' annual list of multi-family bond issuers. HDC again achieved this distinction despite issuing bonds for only one city, compared to the statewide jurisdictions of the other ranked agencies. For additional information, visit: www.nychdc.com.

About the NYC Department of Housing Preservation and Development (HPD)

HPD is the nation's largest municipal housing preservation and development agency. Its mission is to promote quality housing and viable neighborhoods for New Yorkers through education, outreach, loan and development programs, and enforcement of housing quality standards. HPD is tasked with fulfilling Mayor de Blasio's Housing New York: A Five-Borough Ten-Year Plan to build and preserve 200,000 affordable units for New Yorkers at the very lowest incomes to those in the middle class. For more information visit www.nyc.gov/hpd and for regular updates on HPD news and services, connect with us via www.facebook.com/nychpd and www.twitter.com/nychousing.

About the U.S. Department of Housing and Urban Development (HUD)

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination, and transform the way HUD does business. For additional information, visit: HUD.gov.

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