

HOUSING NEW YORK

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New York City faces an affordability crisis. Fifty six percent of renter households are rent burdened (spending more than one third of their income on housing). Rents are rising faster than many tenants' ability to pay. Between 2005 and 2014, the average renter's income increased by two percent while their rent increased by 15 percent, controlling for inflation. Affordable housing is not only fundamental to a person's security, health and well-being, it is also indispensable to the diversity and dynamism of the City itself.

[Housing New York](#) (HNY) is New York City's five-borough, ten-year affordable housing plan to create and preserve 200,000 affordable housing units for a wide range of New Yorkers from the extremely low- to middle-income households. Launched in May 2014, the City will spur the construction of 80,000 new units and preservation of 120,000 units of affordable housing, ensuring that New Yorkers will have a physically sound home at a price they can afford. The creation and preservation of affordable housing is critical as buildings across the City face physical disrepair, expiring rent restrictions or escalating maintenance costs.

In Fiscal 2016 the Department of Housing Preservation and Development (HPD) and Housing Development Corporation (HDC) financed 23,287 apartments and homes, the second highest year of production on record and the highest since 1989. Since the start of Housing New York, the City has financed the creation and preservation of 52,939 affordable units, enough housing for 130,000 New Yorkers. A quarter of the units will serve individuals making less than \$31,100, or \$40,800 for a family of three. Of these homes, over 50 percent – approximately 7,300 homes – have been created or preserved for the poorest households – those New Yorkers making roughly \$19,000 for a single person or \$24,500 for a family of three.

Beyond the financing of affordable housing, Housing New York encompasses a slate of initiatives that take a comprehensive approach to meeting the needs of residents through holistic neighborhood planning, targeted investments and protections that help current tenants and homeowners stay in their homes. The adoption of [Mandatory Inclusionary Housing](#) (MIH) and [Zoning for Quality and Affordability](#) (ZQA) in March 2016, and the subsequent application of MIH as part of the East New York Community Plan in April, represented major landmarks for the implementation of Housing New York. Each of these land use actions was overwhelmingly approved by the City Council, with some modifications, after a robust public engagement process that involved community boards, Borough Presidents, Borough Boards and community-based organizations.

MIH requires that a share of all new housing built in targeted rezoned areas be set aside as permanently affordable apartments. Specifically, it requires that between 20 to 30 percent of new residential floor area be permanently affordable for households at a variety of income levels in areas rezoned as part of a City neighborhood rezoning or a private rezoning application. MIH is the most rigorous program of its kind in any major U.S. city. When combined with other components of Housing New York – including City subsidies and neighborhood investments – MIH will create tens of thousands of permanently affordable apartments while stabilizing neighborhoods for years to come.

East New York, Brooklyn, became the first neighborhood to be mapped with MIH when the City Council approved the East New York Community Plan in April 2016, after several years of engagement with local elected officials, the East New York Coalition for Community Advancement and other community-based organizations. The comprehensive plan counters

decades of disinvestment by promoting economic development, investing in sorely needed infrastructure and developing affordable housing for a range of household incomes. Drawing upon resources from the Neighborhood Development Fund, a capital fund created to support this approach to comprehensive planning, the East New York Community Plan includes park renovations, new playground sites, the creation of a 1,000 seat school and a commitment to build 1,200 housing units on City-owned sites for very low-income households. The Department of City Planning (DCP) is exploring the use of MIH in different neighborhoods across the City, where appropriate, as well as working with communities to organize a series of place-based planning studies tailored to the distinct needs and character of each neighborhood.

ZQA represents one of the most significant updates to the Zoning Resolution in decades. Born out of a need to modernize zoning rules that have not kept pace with best practices for residential design and construction, ZQA proactively addressed zoning barriers that had constrained new housing creation and added unnecessary costs in the City's medium- and high-density neighborhoods. ZQA makes it easier to provide the range of affordable senior housing and care facilities needed to meet this rapidly growing and diverse segment of the City's population, while also encouraging improved building designs and ground floor retail uses.

Maintaining and accelerating this level of progress requires the continued collaboration of more than a dozen City agencies and offices, including HPD, DCP, HDC, the New York City Economic Development Corporation (NYCEDC), the New York City Housing Authority (NYCHA), the Department of Buildings (DOB), the Human Resources Administration (HRA), the Department of Homeless Services (DHS), the Department of Small Business Services (SBS), the Mayor's Office of Workforce Development and the Mayor's Office of Capital Project Development.

HNY is segmented into the following broad strategies and priority initiatives. Unless otherwise noted, the accomplishments below occurred during Fiscal 2016.

FOSTERING DIVERSE, LIVABLE NEIGHBORHOODS

Housing New York recognizes that a neighborhood's vitality resides not just in the housing stock but also in its services and amenities. The City's agencies, specifically DCP, HPD, HDC, SBS, NYCEDC and NYCHA, have been tasked with ensuring that the City's investments will provide affordable housing and economic opportunities while enhancing the quality and livability of neighborhoods.

Accomplishments include:

- In March 2016 the City Council adopted MIH and ZQA.
- In April 2016 the City Council approved the land use applications necessary to implement portions of the East New York Community Plan—the first rezoning where MIH will be applied to all newly constructed residential buildings.
- HPD co-sponsored a series of Neighborhood Preservation HelpDesks where housing specialists were on hand to field questions from owners of small rental buildings (5–50 units) and provide guidance on a range of preservation resources and City financing tools. HPD also conducted nearly 30 Tenant and Landlord Resources Fairs, reaching over 2,100 landlords and tenants across the City.
- HPD, along with DCP, released the "[Neighborhood Planning Playbook](#)"—the blueprint for a comprehensive, transparent process of community engagement and planning that involves all the relevant City agencies. This new approach reflects the Administration's commitment to holistic neighborhood planning and interagency coordination. The Playbook has already been used in a series of community visioning workshops for vacant or underutilized City-owned sites, and in neighborhoods where community plans are being formulated—such as Greenpoint, Edgemere and East Harlem. In collaboration with DCP and EDC, HPD has hosted eight public workshops in these communities, with over 500 participants.
- Working with SBS and the Mayor's Office of Workforce Development, HPD launched its HireNYC program to better connect low-income workers to local construction employment opportunities generated by its affordable housing projects. HPD requires that developers receiving more than \$2 million in City subsidies post all entry and mid-level construction positions on the HireNYC portal, and evaluate qualified candidates referred from the program. Since March 2016, 34 projects have been included in this program.

- Baseline anti-eviction legal service programs in the HRA budget totaled \$34 million in Fiscal 2016, with planned expansion to \$62 million when fully implemented in Fiscal 2017—over ten times the \$6 million that was spent on anti-eviction programs in Fiscal 2013. In January 2016 HRA launched its anti-harassment and tenant protection services program through three citywide providers, which will be funded at \$33 million when fully implemented in Fiscal 2017. HRA's anti-eviction and anti-harassment programs served more than 14,500 households in Fiscal 2016, including cases both within and outside of Housing Court. When fully implemented in Fiscal 2017, the two programs will serve 32,700 households a year—over 113,000 individuals.

PRESERVING THE AFFORDABILITY AND QUALITY OF THE EXISTING HOUSING STOCK

As the City continues to increase the supply of affordable housing by financing new construction, it is also focused on preserving the affordability and improving the quality of the existing housing stock in order to help tenants and homeowners stay in their homes.

Accomplishments include:

- HPD released a Request for Qualification seeking not-for-profit and for-profit developers to participate in the rehabilitation and management of the Affordable Neighborhood Co-op Program (ANCP) and Third Party Transfer (TPT)—Tenant Petition Cooperatives. The ANCP and TPT-Tenant Petition Cooperatives programs rehabilitate multifamily properties into affordable cooperatives, giving low- and moderate-income New Yorkers the opportunity to become homeowners.
- The City reached a 20-year agreement to protect 5,000 middle class housing units at Stuyvesant Town and Peter Cooper Village (STPCV). This is the largest number of affordable apartments ever preserved in a single City-led transaction in the history of New York City. For generations, STPCV has been a home to working and middle-class families. This plan will halt the loss of more than 300 affordable apartments each year, ensuring that STPCV remains a home for nurses, teachers, first responders and other working families.
- HPD retooled its Voluntary Inclusionary Housing Preservation Program (IHP) with streamlined design reviews and other changes to ensure that proceeds from the sale of affordable housing development rights will be used to support permanent affordability and recapture public investment. The new IHP will also foster neighborhood economic diversity by helping to preserve the stock of quality, affordable housing in neighborhoods that are otherwise out of reach to low- and moderate-income residents.
- HPD collaborated closely with the City Council to pass three bills that strengthen tenant protections for New York City residents. These bills place limits on the tactics that have been employed by unscrupulous landlords to unlawfully push tenants out of their apartments; require written disclosures to inform tenants of their rights related to buyout offers; and ensure that tenants understand the avenues of assistance available to them when faced with a buyout offer.

BUILDING NEW AFFORDABLE HOUSING FOR ALL NEW YORKERS

Much of what distinguishes New York and makes it such a desirable place to live and work stems from the City's unparalleled diversity. HNY seeks to preserve the income diversity of all our neighborhoods through programs designed to reach residents across income levels, as well as programs that will produce affordable housing on the many vacant and underdeveloped parcels of public land scattered throughout the City.

INCOME BAND DEFINITIONS			
Income Band	Percentage Of Area Median Income	Monthly Rent Required To Prevent Rent Burden	Annual Income Range (For A Three-Person Household)
Extremely Low Income	0-30%	≤\$613	≤\$24,500
Very Low Income	31-50%	\$614-\$1,020	\$24,501-\$40,800
Low Income	51-80%	\$1,021-\$1,631	\$40,801-\$65,250
Moderate Income	81-120%	\$1,632-\$2,448	\$65,251-\$97,920
Middle Income	121-165%	\$2,449-\$3,366	\$97,921-\$134,640

Accomplishments include:

- In Fiscal 2016 HPD produced nearly 3,800 units for New Yorkers making less than \$24,500 annually. New financing tools, such as the Extremely Low and Low Income Affordability (ELLA) program, have enabled the City to achieve longer affordability and include extremely-low income bands.
- The City financed 1,907 apartments for formerly homeless households in Fiscal 2016. A portion of those units were created through HPD's OurSpace initiative, which funds the new construction of rental units affordable to formerly homeless whose incomes are at or below 30 percent of the average median income (\$24,500 for a family of three).
- HPD issued a Request for Proposals (RFP) targeted at pre-qualified Minority and Women-owned Business Enterprise (M/WBE) developers to build affordable housing developments at six sites in Brooklyn, the Bronx and Manhattan. This is one of the new measures announced by the Mayor to increase the role of M/WBEs in City housing and economic development projects. HPD also held the second round of its Building Capacity Course, a joint initiative with HPD and SBS to teach best practices and increase opportunities for M/WBE firms and not-for profits in affordable housing.
- HPD launched BLDS eSubmit, a new electronic document submission system to streamline the design review process for affordable housing, in which HPD works closely with developers, sponsors, consultant architects, and engineers to ensure that HPD-assisted projects comply with all requirements. The new paperless process increases the efficiency and transparency of design review; fosters close collaboration between HPD, DOB and external partners; enhances customer service; and controls the costs of developing affordable housing.
- To further advance housing and sustainability goals, HPD released SustainNYC, a competitive RFP for the design and construction of a passive house, 400-unit building in East Harlem. The RFP was informed by collaborative outreach by HPD to local elected officials, the community board and local residents.

PROMOTING HOMELESS, SENIOR, SUPPORTIVE AND ACCESSIBLE HOUSING

HNY prioritizes the provision of supportive, accessible housing to the homeless and other New Yorkers with special needs, such as the rapidly growing senior population.

Accomplishments include:

- The City committed to provide 15,000 units of supportive housing over the next 15 years for New Yorkers in need. The supportive services include mental and physical health care access and alcohol and substance use treatment, among other social services, and are part of a proven, cost-effective approach to delivering stability and permanent housing for New Yorkers with mental illness and substance use challenges. In January 2016 the City convened a Supportive Housing Task Force of expert advisers and City leaders to identify innovative ways to develop and deliver supportive housing, including streamlined development and approval processes and carefully tailored services for supportive housing populations. The task force presented final recommendations in June 2016.
- Implementation of the first phase of the 15,000 new units of supportive housing has begun with HRA's release of a concept paper in April 2016 followed by an RFP in August 2016 to procure 500 "scatter site" supportive housing units.
- HPD and HRA created the HOME Tenant-Based Rental Assistance program to provide housing for families and street homeless individuals with Social Security benefits, often due to disabilities. HRA has received applications from over 2,000 households for the HOME program and began distributing vouchers to eligible clients in December 2015.
- HRA procured and initiated rapid rehousing services for homeless and at-risk households, including for three-quarter housing residents relocated from unsafe housing. This included the launch of a new rental assistance program, the Special Exit and Prevention Supplement (SEPS), for single adults in urgent need of permanent housing. Between July 2015 and June 2016, 849 households enrolled in the SEPS program, with 362 exiting from shelter, 270 prevented from entering shelter, and 217 relocated from three quarter housing.

- HRA is expanding shelters for survivors of domestic violence to serve approximately 13,300 more children and adults each year. This will add a total of 400 new units of Tier II transitional family shelter and 300 emergency shelter beds—an unprecedented addition to the City’s current domestic violence shelter capacity. In Fiscal 2016 HRA has conducted an emergency procurement for 300 emergency shelter beds and opened 54 to date, and released an open-ended RFP for the Tier II units.
- As part of the citywide effort to house veterans, HPD issued 286 Section 8 vouchers for veterans in Calendar 2015. HPD also streamlined the Section 8 application process for this population, including expedited application review, fast tracked inspections, and priority processing.

REFINING CITY FINANCING TOOLS AND EXPANDING FUNDING SOURCES FOR AFFORDABLE HOUSING

Consistent with the goals of HNY, the City is leveraging its investments more effectively. For example, by restructuring loan terms to lower costs at the beginning of the project, the City can leverage additional private financing up front, while recapturing the City’s investments and providing greater incentives for long-term affordability. The City will continue to review and analyze its housing programs and identify new funding streams and partnerships as it ramps up to reach HNY’s ambitious goals.

Accomplishments include:

- Partnering with the NYS Attorney General, elected officials and various for- and non-profit organizations, the City purchased 24 distressed mortgages of one- to four- family homes with a total of 41 residential units in the Bronx, Brooklyn, Queens and Staten Island. The acquisition, through the new Community Restoration Program, is one of the first times a municipality intervened to purchase Federal Housing Administration notes to prevent homes from being sold to the highest bidder. This purchase will enable the City to provide mortgage relief to the homeowners and help stabilize the neighborhoods.
- HPD and HDC created new sustainability programs to assist small and mid-level building owners with energy assessments and building repair loans that will make their properties more energy efficient and lower operating costs. The Green Physical Needs Assessment integrates energy and water audit protocols with a roof-to-basement assessment. The Green Housing Preservation Program financed its first project, helping the building owner to make improvements that will reduce utility and maintenance costs.
- In September 2015 NYCHA launched NextGeneration Neighborhoods, a program to build 50 percent market rate and 50 percent affordable housing units on underutilized NYCHA land in order to create a revenue source for NYCHA, reinvest in capital needs, and create more affordable housing. The process began with community and resident engagement at two sites—Wyckoff Gardens in Brooklyn and Holmes Towers in Manhattan. In June 2016 NYCHA and HPD released an RFP for the development of mixed-income housing at those two sites based on this extensive stakeholder engagement.
- In February 2016 NYCHA released an RFP for potential developers to upgrade approximately 1,400 public housing units at Ocean Bay (Bayside) Apartments in Far Rockaway and submitted an application to upgrade more than 5,000 more units through the Rental Assistance Demonstration (RAD) program. RAD is a U.S. Department of Housing and Urban Development (HUD) program which will enable NYCHA to create a public-private partnership to access additional funding to make vital infrastructure repairs by leveraging the Section 8 program.
- In May 2016 NYCHA and HPD announced the selection of three development teams to expand affordable housing opportunities at three NYCHA developments: Ingersoll Houses in Fort Greene, Brooklyn; Van Dyke Houses in Brownsville, Brooklyn; and Mill Brook Houses in Mott Haven, the Bronx. The plan to create 100 percent affordable senior and multifamily housing on available NYCHA property was developed in response to resident and advocate calls for more affordable housing options in their communities.
- HDC issued \$1 billion in Sustainable Neighborhood Bonds, the first social investment bonds for affordable housing in the United States. HDC created this new category of bonds to attract investors interested in financing socially and environmentally beneficial projects in New York City.

		FY14 (1/1/2014 - 6/30/2014)	FY15 (7/1/2014- 6/30/2015)	FY16 (7/1/2015- 6/30/2016)	FY16 Annual Target	FY17 Annual Target	Cumulative HNY (1/1/14 -6/30/2016)	2024 Target
HOUSING UNITS STARTED								
Total starts (new and preservation)		9,328	20,324	23,287	18,000	20,000	52,939	200,000
New construction starts		2,759	8,485	6,097	7,257	8,000	17,341	80,000
Preservation starts		6,569	11,839	17,190	10,743	12,000	35,598	120,000
Total starts (new construction and preservation) by income band	Extremely low income units	896	2,653	3,767	*	*	7,316	16,000
	Very low income units	1,426	2,375	2,879	*	*	6,680	24,000
	Low income units	5,699	12,564	9,419	*	*	27,682	116,000
	Moderate income units	355	1,302	1,890	*	*	3,547	22,000
	Middle income units	890	1,313	5,246	*	*	7,449	22,000
	Other units (includes units for building superintendents)	62	117	86	*	*	265	*
Total starts (new construction and preservation) by bedroom distribution	Studio units (starts)	1,549	2,867	2,697	*	*	7,113	*
	1 Bedroom units	2,585	6,227	9,406	*	*	18,218	*
	2 Bedroom units	3,334	6,476	8,677	*	*	18,487	*
	3 Bedroom units	1,032	1,978	2,093	*	*	5,103	*
	4+ Bedroom units	143	423	336	*	*	902	*
	Unclassified units ¹	685	2,353	78	*	*	3,116	*
Total starts (new construction and preservation) for special needs populations	Units started for homeless individuals or families	464	1,538	1,907	1,320	1,320	3,909	13,200
	Units started for senior individuals or families	602	1,723	1,373	250	1,000	3,698	10,000
Total starts (new construction and preservation) on former publicly-owned land		1,380	1,792	1,514	*	*	4,686	*
HOUSING UNITS COMPLETED								
Total completions (new and preservation)		3,100	2,079	10,292	*	*	15,471	*
New construction completions		96	124	694	*	*	914	*
Preservation completions		3,004	1,955	9,598	*	*	14,557	*
Total completions (new construction and preservation) by income band	Extremely low income units	476	325	914	*	*	1,715	*
	Very low income units	229	463	680	*	*	1,372	*
	Low low income units	1,544	999	2,931	*	*	5,474	*
	Moderate low income units	21	70	888	*	*	979	*
	Middle low income units	825	203	4,848	*	*	5,876	*
	Other units (includes units for building superintendents)	5	19	31	*	*	55	*

		FY14 (1/1/2014 - 6/30/2014)	FY15 (7/1/2014- 6/30/2015)	FY16 (7/1/2015- 6/30/2016)	FY16 Annual Target	FY17 Annual Target	Cumulative HNY (1/1/14 -6/30/2016)	2024 Target
Total completions (new construction and preservation) by bedroom distribution	Studio units	455	287	347	*	*	1,089	*
	1 Bedroom units	802	573	4,460	*	*	5,835	*
	2 Bedroom units	849	743	4,370	*	*	5,962	*
	3 Bedroom units	344	297	811	*	*	1,452	*
	4+ Bedroom units	71	56	163	*	*	290	*
	Unclassified units ¹	579	123	141	*	*	843	*
Total completions (new construction and preservation) for special needs populations	Units completed for homeless individuals or families	26	116	390	*	*	532	*
	Units completed for senior individuals or families	241	183	199	*	*	623	*
FISCAL AND ECONOMIC INDICATORS								
Total City investment	Housing New York - Direct City Investment (in Millions)	\$288	\$660	\$798	*	*	\$1,746	*
Employment impacts	Estimated number of temporary jobs associated with Housing New York construction projects	7,072	26,280	19,750	*	*	53,102	*
	Estimated number of permanent jobs associated with Housing New York projects	133	509	382	*	*	1,024	*
Economic impacts	Estimated economic output associated with Housing New York construction spending (Aggregate Nominal Figures, in Millions)	\$1,637	\$6,089	\$4,635	*	*	\$12,361	*
	Estimated annual economic output associated with ongoing operations of Housing New York projects (in Millions of 2016 dollars)	\$48	\$163	\$118	*	*	\$329	*

¹Data on bedroom distribution is not available for homeownership assistance programs and small homeowner preservation programs.

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- Data is currently not available for an indicator previewed in the Fiscal 2014 Housing New York chapter, 'Number of units started by length of affordability requirement.' HPD is currently enhancing its data systems and expects to report this data in the future.
- HPD updated data for Fiscal 2014 housing starts and completions and Fiscal 2015 starts and completions. These updates included changes to the housing starts and completions data disaggregated in these reporting periods by income band, bedroom distribution, and special needs populations.

ADDITIONAL RESOURCES

For more information about these and additional initiatives underway, go to: www.nyc.gov/housing.

- Housing New York: A Five-Borough, Ten-Year Plan:
<http://www.nyc.gov/html/housing/pages/home/index.shtml>