

# DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Maria Torres-Springer, Commissioner



## WHAT WE DO

The New York City Department of Housing Preservation and Development (HPD) is the largest municipal housing preservation and development agency in the nation. The agency promotes the construction, rehabilitation and preservation of affordable, high-quality housing for low- and moderate-income families in thriving and diverse neighborhoods in every borough by enforcing housing quality standards, financing affordable housing development and preservation, and ensuring sound management of the City's affordable housing stock.

## FOCUS ON EQUITY

Using a variety of preservation, development and enforcement strategies, HPD strives to improve the availability, affordability and quality of housing in all neighborhoods of New York City. By enforcing the Housing Maintenance Code, HPD works to ensure that all New Yorkers live in safe and habitable neighborhoods and homes. By developing affordable housing, HPD seeks to serve households of a wide range of incomes, in all neighborhoods, with special attention to those with special needs, seniors and the formerly homeless. Through the Housing Connect lottery, marketing and outreach efforts, HPD has expanded the number and diversity of households applying to live in affordable housing, and ensures that eligible applicants have an equal and fair chance of receiving housing. Using a targeted, neighborhood-based approach to preservation, HPD is working to protect the ability of low-income families to remain in their current neighborhoods even as rents increase. At the same time, the Department's development and preservation initiatives seek to open up new housing opportunities for households at a range of incomes, including the lowest income households.

## OUR SERVICES AND GOALS

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### **SERVICE 1 Enforce the Housing Maintenance Code.**

Goal 1a Resolve housing maintenance complaints efficiently.

Goal 1b Improve compliance with the Housing Maintenance Code.

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### **SERVICE 2 Preserve and create quality affordable housing.**

Goal 2a Increase affordable housing opportunities through construction and preservation.

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### **SERVICE 3 Effectively manage HPD affordable housing assets.**

Goal 3a Improve financial and physical stability of existing affordable housing.

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### **SERVICE 4 Provide affordable housing opportunities for the lowest income New Yorkers and maximize federal rent subsidies.**

Goal 4a Maximize federal rent subsidies to make housing affordable for low-income New Yorkers.

Goal 4b Target HPD financed housing to the lowest income New Yorkers.

## HOW WE PERFORMED

- HPD closed emergency and nonemergency complaints faster in the first four months of Fiscal 2018 compared to the same time period in Fiscal 2017. Average closing times decreased by .5 and .8 days, respectively, due in part to a nearly nine percent decrease in complaints.
- Despite the decrease in total complaints reported, the overall number of violations issued increased by 16 percent to 181,530. The number of violations certified as corrected by an owner increased by 25 percent to nearly 75,000 due to enhanced enforcement, including penalties, litigation and special enforcement programs.
- In November 2017 the City released Housing New York 2.0, an expanded affordable housing plan to create and preserve 300,000 affordable homes for New Yorkers by 2026, up from the previous goal of 200,000 homes announced in 2014. With Housing New York 2.0., the City plans to complete its initial 200,000 goal two years ahead of schedule and preserve or build another 100,000 homes in the four years that follow.
- Total housing starts for the first four months of Fiscal 2018 were higher than in the same Fiscal 2017 period, 3,009 units compared to 2,776 units. HPD is on track to meet or exceed its goal of creating or preserving 22,500 units of affordable housing in Fiscal 2018. The agency is also on track to produce a significant number of extremely low and very low income units in Fiscal 2018 despite 27 percent fewer starts in the current reporting period. There are marked differences in housing starts during the first four months of the fiscal year, depending on the timing of closings and the presence or absence of a few large projects that affect the affordability distribution. Overall housing completions are ahead of last year's pace and HPD is expected to meet the annual target of 17,123 units by year-end.
- HPD increased the buildings in its asset management portfolio by eight percent for rentals and five percent for co-ops. The increase in the number of buildings represents the natural growth of the portfolio over time as additional HPD housing projects are transferred to asset management. In the first four months of Fiscal 2018, 35 percent of rental buildings and 58 percent of co-op buildings were at medium or high risk of physical or financial distress, in line with previous ratings.
- HPD issued 480 fewer Section 8 vouchers due to federal budget constraints and uncertainty regarding future program funding. Despite this decrease, the agency's voucher utilization rate for the first four months of Fiscal 2018 increased to 96.9 percent, two percentage points higher than the first four months of Fiscal 2017, bringing HPD closer to its target voucher utilization rate of 98 percent.

## SERVICE 1 Enforce the Housing Maintenance Code.

Goal 1a Resolve housing maintenance complaints efficiently.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Total complaints reported	553,135	549,640	541,858	*	*	165,202	150,608
★ – Emergency complaints reported	348,447	337,791	334,242	*	*	91,899	80,098
Inspections completed	664,960	692,943	698,948	600,000	600,000	212,324	218,230
Inspection visits per team per day	12.2	12.6	12.3	*	*	11.6	11.8
Ratio of completed inspections to attempted inspections (%)	80%	78%	80%	*	*	76%	78%
Total complaints closed	547,823	558,417	541,216	*	*	159,460	148,055
– Emergency complaints closed	346,603	339,524	334,143	*	*	87,982	77,585
– Heat and hot water	122,753	110,007	115,262	*	*	14,170	8,997
– Lead	32,528	32,170	28,356	*	*	10,483	8,681
– Other emergency	191,322	197,347	190,525	*	*	63,329	59,907
★ Average time to close emergency complaints (days)	13.3	11.3	12.4	12.0	12.0	11.7	11.2
★ Average time to close nonemergency complaints (days)	27.9	23.3	21.0	20.0	20.0	13.6	12.8
★ Emergency complaints closed within 12 days of receipt (%)	70%	71%	71%	↑	↑	66%	67%
Nonemergency complaints closed within 20 days of receipt (%)	69%	75%	73%	*	*	84%	86%
★ Critical Indicator	“NA” Not Available		↑↓ Directional Target	* None			

Goal 1b

Improve compliance with the Housing Maintenance Code.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Total violations issued	408,874	440,849	481,085	*	*	156,355	181,530
– Emergency violations issued	75,122	72,000	81,750	*	*	23,356	22,326
– Heat and hot water	10,478	8,858	10,340	*	*	1,778	1,272
– Lead	11,132	11,625	12,774	*	*	4,011	3,842
– Other emergency	53,512	51,517	58,636	*	*	17,567	17,212
– Nonemergency violations issued	333,752	368,849	399,335	*	*	132,999	159,204
★ Violations issued and removed in the same fiscal year (%)	38%	45%	42%	40%	40%	NA	NA
★ Emergency violations corrected by owner (%)	53%	57%	55%	55%	55%	NA	NA
Emergency violations corrected by HPD (%)	12%	11%	10%	*	*	NA	NA
Violations closed	458,863	489,900	485,251	*	*	158,256	176,859
Violations certified as corrected by owner	141,484	170,109	193,461	*	*	59,851	74,859
Housing Court cases initiated by HPD	6,299	5,659	6,371	*	*	1,146	1,290
Housing Court cases initiated by HPD that were disposed	6,365	5,633	6,222	*	*	1,390	1,473
– Cases settled	4,827	4,308	5,056	*	*	1,023	1,037
– Cases resulting in judgments	721	842	578	*	*	166	162
Total dollars spent on emergency repairs (excluding demolition and AEP) (\$)	\$11,234,213	\$10,139,937	\$10,009,946	*	*	NA	NA
Alternative Enforcement Program - Buildings currently active	581	609	579	*	*	NA	NA
– Buildings discharged (cumulative)	1,056	1,278	1,558	*	*	NA	NA
– Buildings discharged from program (%) (cumulative)	65%	64%	73%	*	*	NA	NA
Total dollars spent on emergency repairs in the Alternative Enforcement Program (\$)	\$3,878,569	\$1,935,904	\$2,499,910	*	*	NA	NA
★ Critical Indicator	“NA” Not Available	↕↔ Directional Target	* None				

**SERVICE 2** Preserve and create quality affordable housing.

Goal 2a

Increase affordable housing opportunities through construction and preservation.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
★ Total housing starts under Housing New York (HNY) (units)	20,401	23,610	24,293	22,500	24,000	2,776	3,009
– New construction starts	8,562	6,297	7,705	8,600	9,600	603	365
– Preservation starts	11,839	17,313	16,588	13,900	14,400	2,173	2,644
HNY units started for homeless individuals and families	1,575	1,907	2,571	1,950	2,160	644	120
HNY units started for senior individuals and families	1,723	1,365	929	1,200	2,500	69	268
★ Total housing completions (New Housing Marketplace Plan and HNY) (units)	12,028	20,406	20,593	17,123	17,123	4,042	4,297
– New construction completions	3,507	4,397	5,680	6,911	6,911	1,673	1,641
– Preservation completions	8,521	16,009	14,913	10,212	10,212	2,369	2,656
★ Critical Indicator	“NA” Not Available	↕↔ Directional Target	* None				

## SERVICE 3 Effectively manage HPD affordable housing assets.

**Goal 3a** Improve financial and physical stability of existing affordable housing.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Asset management - Rental buildings in portfolio	3,396	3,604	3,843	*	*	3,613	3,896
– Medium/high risk rental buildings in portfolio (%)	NA	NA	32.0%	*	*	34.0%	35.0%
Asset management - Co-op buildings in portfolio	1,207	1,217	1,231	*	*	1,177	1,238
– Medium/high risk co-op buildings in portfolio (%)	NA	NA	54.0%	*	*	59.0%	58.0%
★ Critical Indicator    "NA" Not Available    ⬆️⬆️ Directional Target    * None							

## SERVICE 4 Provide affordable housing opportunities for the lowest income New Yorkers and maximize federal rent subsidies.

**Goal 4a** Maximize federal rent subsidies to make housing affordable for low-income New Yorkers.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
★ Section 8 - Voucher utilization rate	93.3%	94.5%	96.6%	98.0%	98.0%	94.8%	96.9%
– Vouchers issued	2,960	2,999	2,334	*	*	1,025	545
– Households assisted	38,128	39,058	39,694	*	*	39,132	39,771
Section 8 subsidized units in abatement (%)	2%	2%	3%	*	*	2%	2%
★ Critical Indicator    "NA" Not Available    ⬆️⬆️ Directional Target    * None							

**Goal 4b** Target HPD financed housing to the lowest income New Yorkers.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Housing New York units started – Extremely low income (0-30% AMI)	2,869	3,844	4,014	*	*	878	326
Housing New York units started – Very low income (31%-50% AMI)	2,393	3,014	6,437	*	*	663	799
★ Critical Indicator    "NA" Not Available    ⬆️⬆️ Directional Target    * None							

## AGENCY CUSTOMER SERVICE

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Customer Experience							
E-mails responded to in 14 days (%)	76%	55%	67%	58%	58%	72%	64%
Letters responded to in 14 days (%)	47%	53%	45%	52%	52%	40%	48%
Average customer in-person wait time (minutes)	36	27	19	29	29	NA	NA
Visitors to the Division of Tenant Resources, Client and Owner Services rating customer service as good or better (%)	85%	83%	89%	95%	95%	NA	NA
Completed customer requests for interpretation	1,526	1,202	969	*	*	NA	NA
CORE customer experience rating (0-100)	90	97	98	85	85	NA	NA
★ Critical Indicator    "NA" Not Available    ⬆️⬆️ Directional Target    * None							

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Response to 311 Service Requests (SRs)							
Percent meeting time to close - Heating (5 days)	82%	82%	88%	78%	78%	86%	82%
Percent meeting time to close - Pests (30 days)	55%	59%	59%	59%	59%	67%	69%
Percent meeting time to close - Paint/Plaster - Ceiling (17 days)	69%	74%	74%	71%	71%	80%	79%
Percent meeting time to close - Paint/Plaster - Walls (17 days)	61%	66%	64%	69%	69%	72%	74%
Percent meeting time to close - Plumbing - Water-Leaks (17 days)	60%	66%	64%	68%	68%	73%	73%
★ Critical Indicator      "NA" Not Available      ⇕ Directional Target      * None							

## AGENCY RESOURCES

Resource Indicators	Actual			Sept. 2017 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY15	FY16	FY17	FY18	FY18 <sup>1</sup>	FY19 <sup>1</sup>	FY17	FY18
Expenditures (\$000,000) <sup>2</sup>	\$718.4	\$850.0	\$1,026.6	\$1,145.1	\$1,330.6	\$870.5	\$522.9	\$661.2
Revenues (\$000,000)	\$64.7	\$61.3	\$79.1	\$27.2	\$62.6	\$27.0	\$31.9	\$35.2
Personnel	2,130	2,246	2,278	2,550	2,579	2,522	2,286	2,282
Overtime paid (\$000,000)	\$1.9	\$2.2	\$2.4	\$2.2	\$2.0	\$2.0	\$0.6	\$0.8
Capital commitments (\$000,000)	\$412.8	\$634.3	\$880.0	\$1,133.8	\$1,182.1	\$1,153.2	\$60.2	\$72.9
<sup>1</sup> February 2018 Financial Plan <sup>2</sup> Expenditures include all funds      "NA" - Not Available								

## SPENDING AND BUDGET INFORMATION

Where possible, the relationship between an agency's goals and its expenditures and planned resources, by budgetary unit of appropriation (UA), is shown in the 'Applicable MMR Goals' column. Each relationship is not necessarily exhaustive or exclusive. Any one goal may be connected to multiple UAs, and any UA may be connected to multiple goals.

Unit of Appropriation	Expenditures FY17 <sup>1</sup> (\$000,000)	February 2018 Financial Plan FY18 <sup>2</sup> (\$000,000)	Applicable MMR Goals <sup>3</sup>
Personal Services - Total	\$160.3	\$179.1	
001 - Office of Administration	\$37.6	\$43.4	All
002 - Office of Development	\$27.3	\$33.4	2a, 3a, 4a, 4b
004 - Office of Housing Preservation	\$58.2	\$62.9	1a, 1b
006 - Housing Maintenance and Sales	\$37.2	\$39.4	2a, 3a, 4a, 4b
Other Than Personal Services - Total	\$866.3	\$1,151.5	
008 - Office of Administration	\$9.8	\$11.2	All
009 - Office of Development	\$781.9	\$1,026.1	1b, 2a, 4a, 4b
010 - Housing Management and Sales	\$9.0	\$16.0	1a, 1b, 2a, 3a, 4b
011 - Office of Housing Preservation	\$65.6	\$98.3	1a, 1b, 2a, 4b
Agency Total	\$1,026.6	\$1,330.6	
<sup>1</sup> Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2017. Includes all funds. <sup>2</sup> Includes all funds. <sup>3</sup> Refer to agency goals listed at front of chapter.			

## NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- HPD updated Fiscal 2018 targets for housing starts, increasing the number of preservation starts by 1,000, which raises the total starts target to 22,500. The agency also increased its target for units started for homeless individuals and families to 1,950 from 1,111 and for seniors to 1,200 from 1,000.
- As part of its routine updates and data clean-up efforts, HPD revised previously reported housing data for Fiscal 2016 and 2017 as follows:
  - Fiscal 2016 HNY housing units started for senior individuals and families decreased from 1,373 to 1,365.
  - Fiscal 2016 housing completions data for both NHMP and HNY decreased by a net of 179 units for a revised overall total of 20,406 units. New construction completions decreased and preservation completions increased.
  - Fiscal 2017 housing completions data for both NHMP and HNY increased by 2,857 units for a revised total of 20,593. Both new construction and preservation completions rose.
  - Fiscal 2016 HNY housing units started for households earning 0-30% of area median income (AMI) increased from 614 to 799, and for households earning 31% to 50% of AMI by one to 3,014.

## ADDITIONAL RESOURCES

For additional information on items referenced in the narrative, go to:

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

For more information on the agency, please visit: [www.nyc.gov/hpd](http://www.nyc.gov/hpd).