

April 11, 2019

Affordable Housing in the Southern Boulevard Area



Affordable Housing in the Southern Boulevard Area

01 What is Affordable Housing?

02 Neighborhood Demographics

03 Current Housing Conditions

04 City Housing Strategies

- Preserve Existing Affordable Housing
- Develop New Affordable Housing
- Increase Access to Affordable Housing
- Promote Economic Opportunity

01 What Is Affordable Housing?

Housing is considered “affordable” when a household* spends no more than **1/3** of its income on rent and utilities.



If your annual income is...

\$20,000

\$50,000

\$100,000

Your monthly rent should be approximately:

\$600

\$1,500

\$2,500

*Varies depending on income and household size.

01 What Is Affordable Housing?

Area Median Income (AMI) is determined each year by the federal government for different regions.



100% AMI

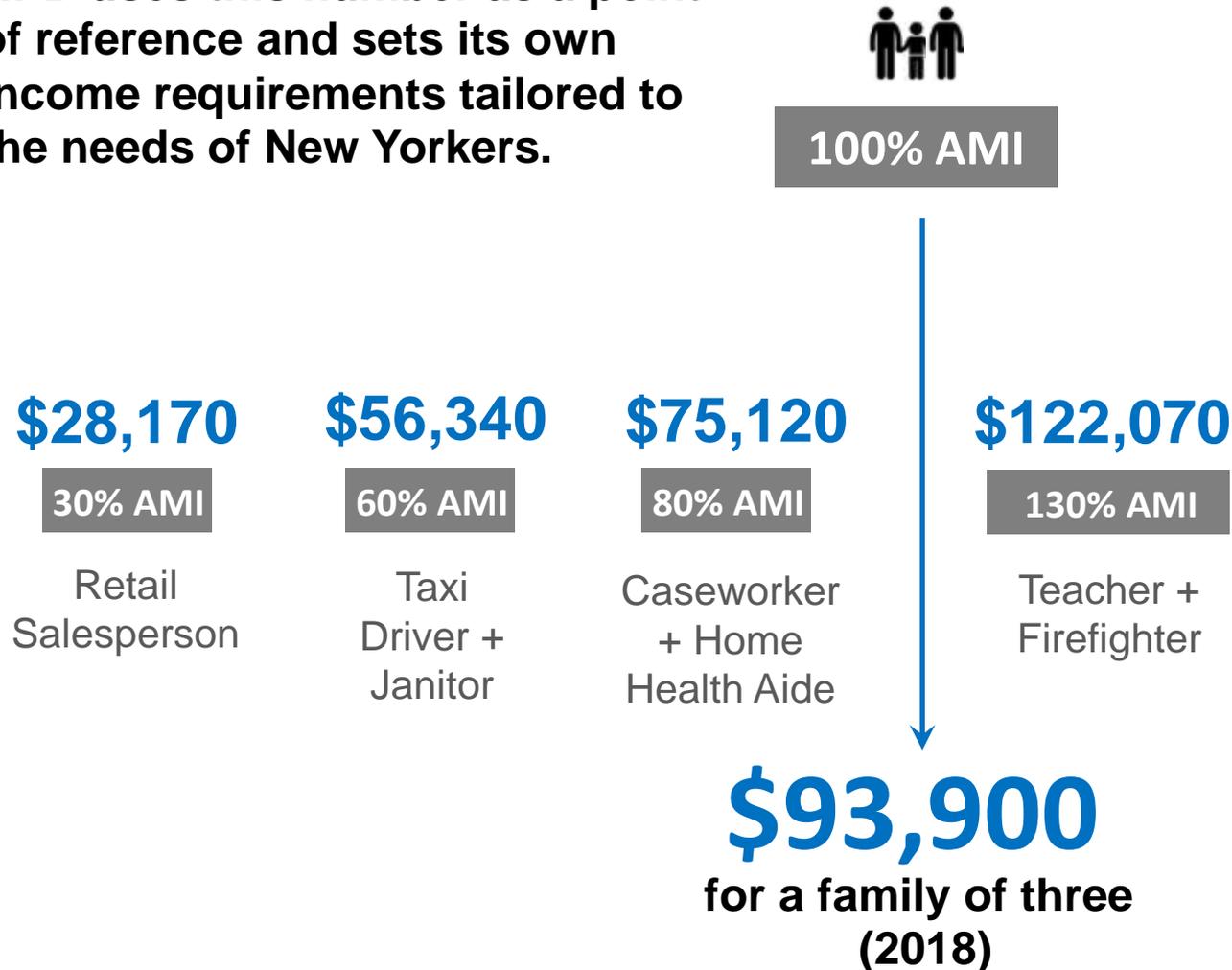


New York Metro Area :

\$93,900
for a family of three
(2018)

01 What Is Affordable Housing?

HPD uses this number as a point of reference and sets its own income requirements tailored to the needs of New Yorkers.



01 What Is Affordable Housing?

Example Households



Annual Income

Social Security

\$21,930

\$37,560

\$41,750

\$62,580

\$66,800

Category

Senior

30% of AMI

40% of AMI

50% of AMI

60% of AMI

80% of AMI

Bedroom Size

Studio

Studio

2 BR

2 BR

3 BR

1 BR

Sample Rent

30% of income

\$367

\$810

\$1,045

\$1,472

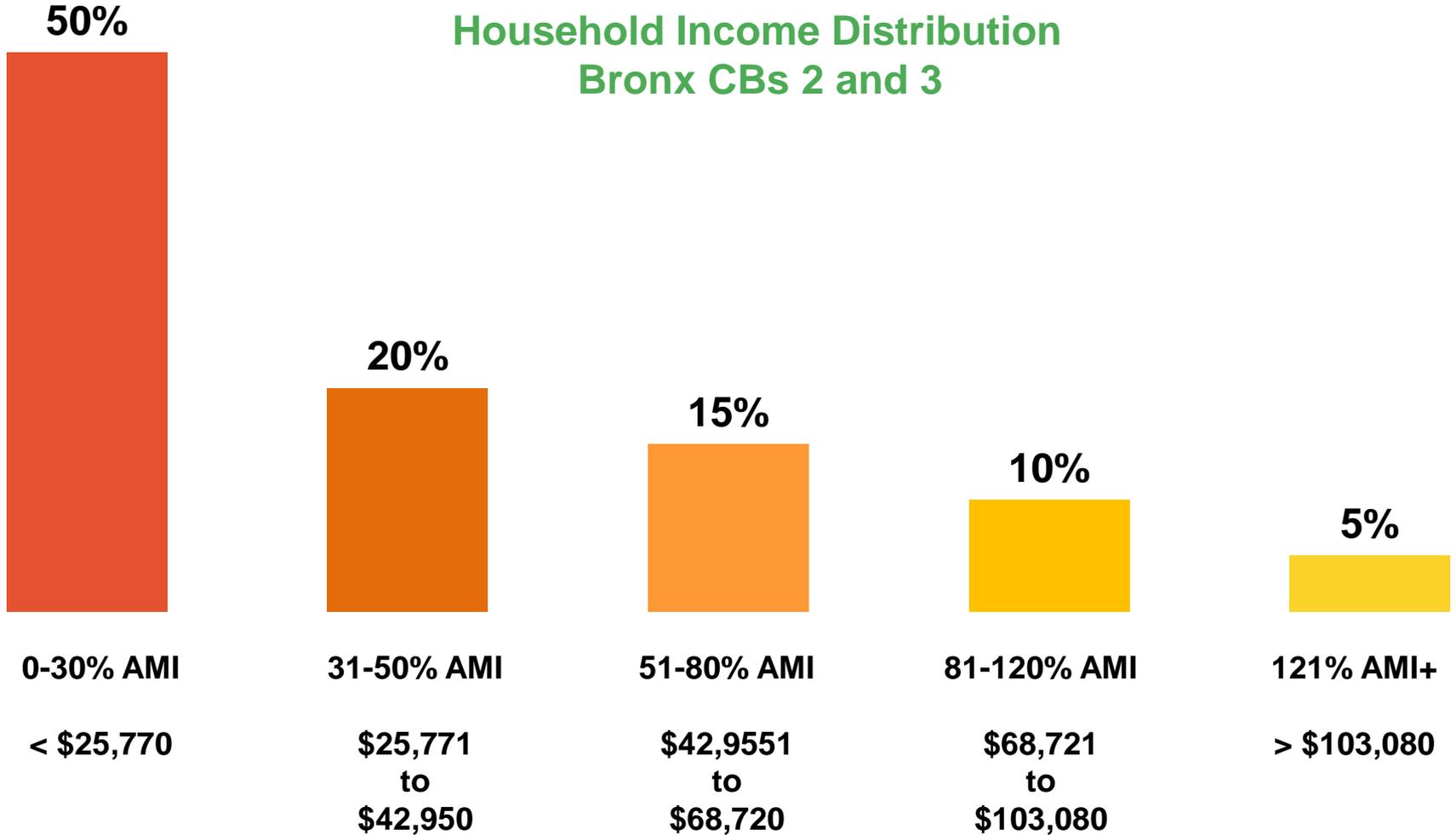
\$1,509

01 What Is Affordable Housing?

There are several types of “affordable” housing:

TYPE	OWNERSHIP	REGULATION
Unregulated	Private	Not subject to regulation
Rent Stabilized	Private	Protected under NYS Rent Stabilization Law
Public Housing	Public	NYCHA
Government Assisted	Private	Subject to regulation

02 Neighborhood Demographics

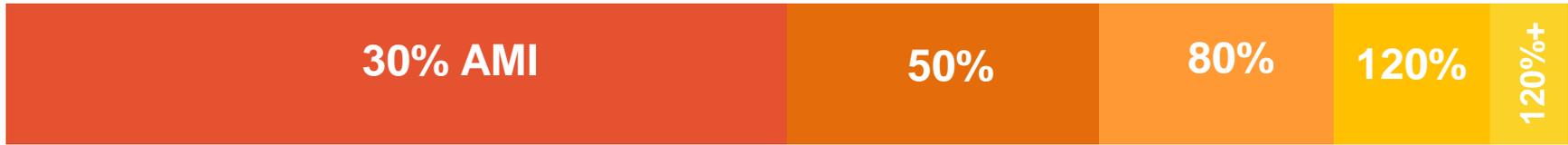


Source: ACS 2013-2017 5yr PUMS Data.
Based on sub-borough areas that approximate Bronx CDs 1, 2,3, and 6
Income limits are for a three-person household (HUD 2017)

02 Neighborhood Demographics

Sample Rents in the Study Area

< \$25,570 \$25,771 - \$42,950 \$42,9551 - \$68,720 \$68,721 - \$103,080



AVERAGE SAMPLE ASKING RENT IN STUDY AREA

\$1,595
Studio

\$1,682
1 BR

\$1,917
2 BR

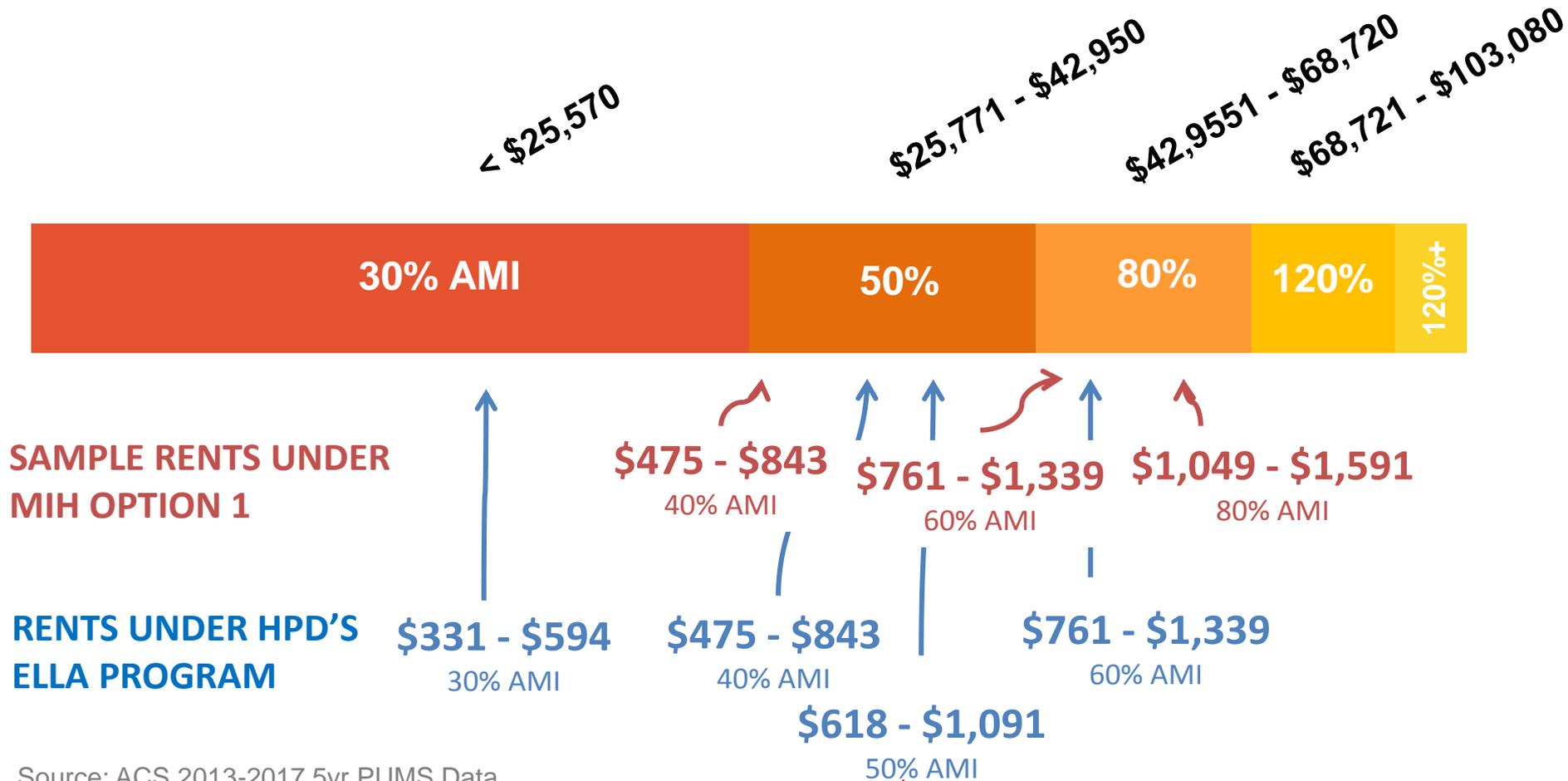
\$2,132
3 BR

Source: ACS 2013-2017 5yr PUMS Data.
Based on sub-borough areas that approximate Bronx CDs 1, 2,3, and 6
Income limits are for a three-person household (HUD 2017)
Asking rents are based on average Streeteasy listings on April 8, 2019

Note: Streeteasy is only comprised of market rate asking rents in the area, of which, only 32 listings were found in this search. Considering the study area consists of 40% government assisted units, the rates noted above are not necessarily representative of what a family might pay for rent in the area.

02 Neighborhood Demographics

Sample Rents in Affordable Housing

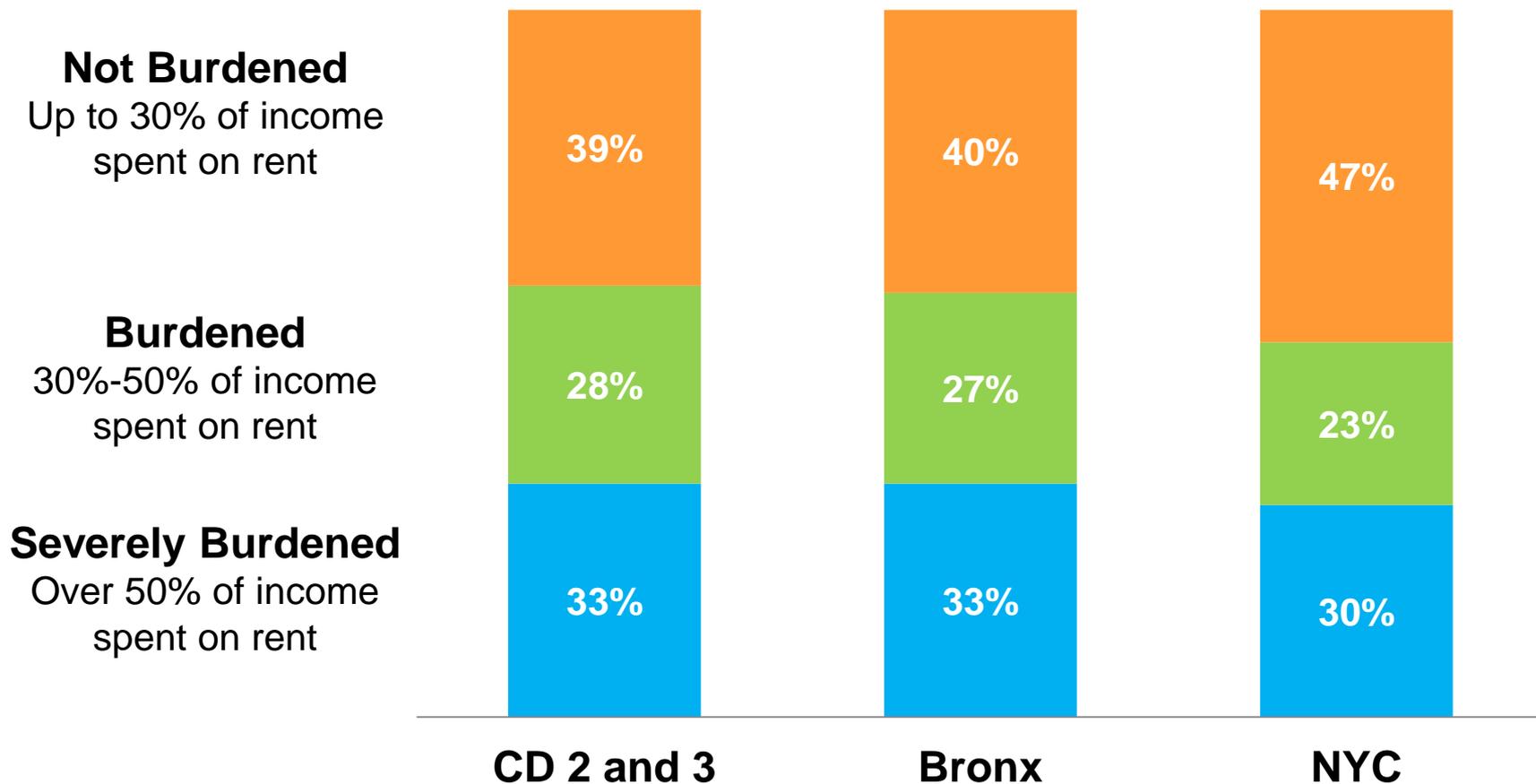


Source: ACS 2013-2017 5yr PUMS Data.
 Based on sub-borough areas that approximate Bronx CDs 1, 2,3, and 6
 Income limits are for a three-person household (HUD 2017)
 Asking rents are based on average Streeteasy listings on April 8, 2019

Note: These are estimated rents a household within this income limit may be expected to pay after ELLA or MIH financing.

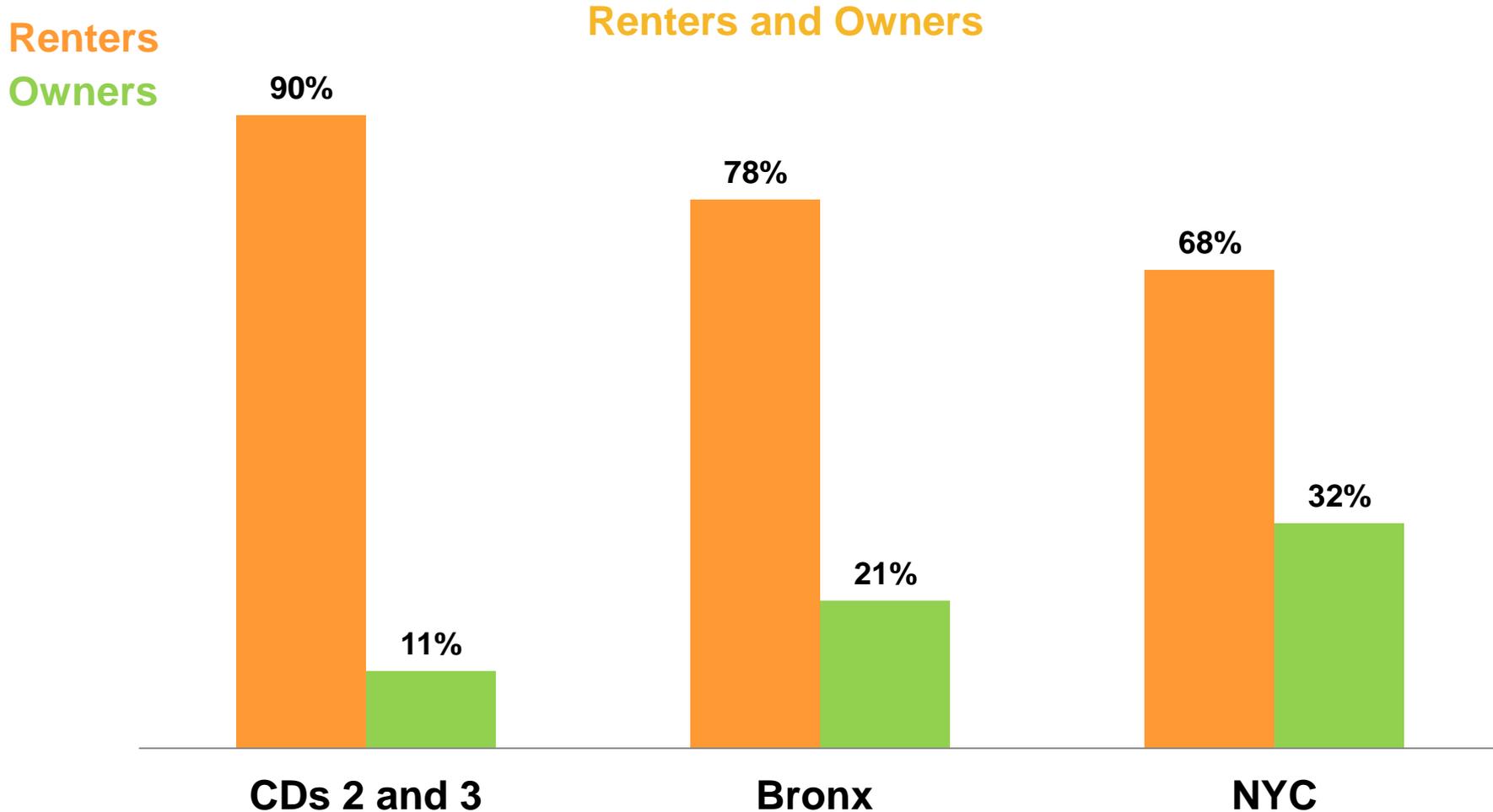
02 Neighborhood Demographics

Rent Burden



Source: NYC Housing and Vacancy Survey, 2017
Based on sub-borough area that approximates CDs 1, 2, 3, and 6
Does not include households in public housing or with vouchers

03 Current Housing Conditions



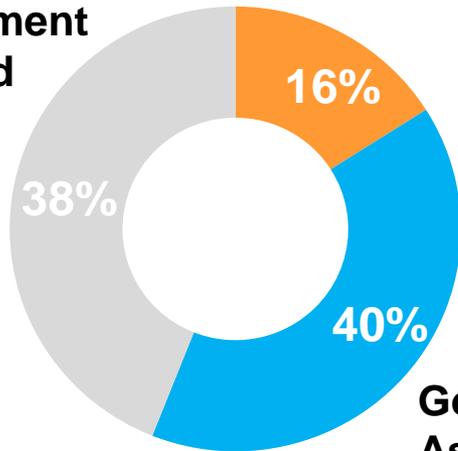
Source: NYC Housing and Vacancy Survey, 2017
Based on sub-borough area that approximates CDs 1, 2, 3, and 6

03 Current Housing Conditions

Existing Affordable Housing

NYCHA

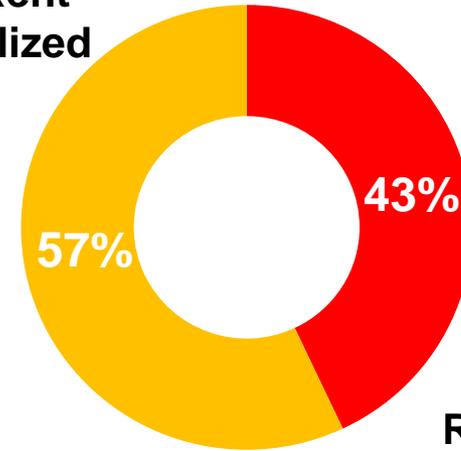
Not Government Assisted



Government Assisted

Note: Government Assisted units, with the exception of NYCHA public housing, are apartment units created using federal, state, and or city funding to supplement development or maintenance of the unit.

Not Rent Stabilized

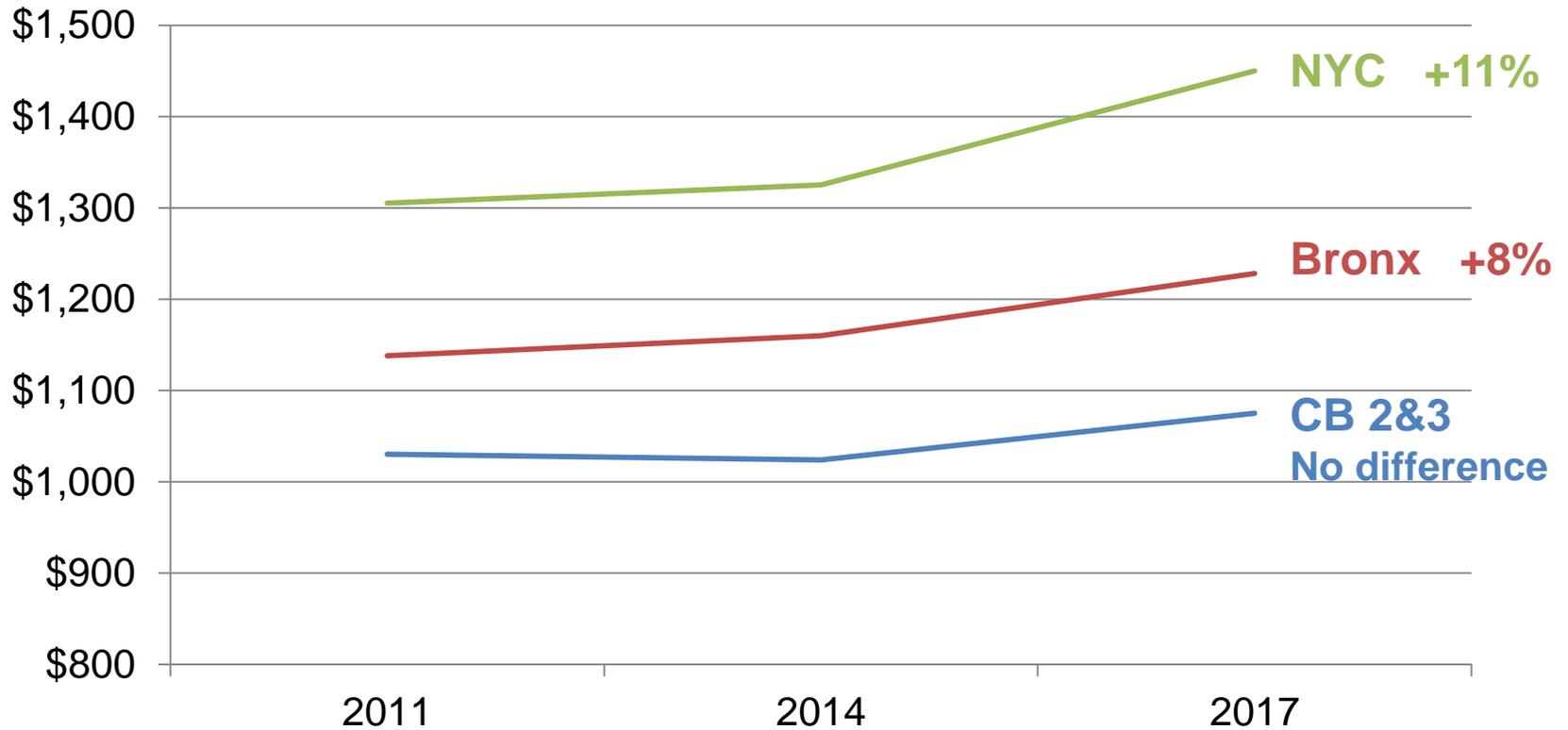


Rent Stabilized

Rent Stabilized units are those where the rents are regulated and protected by State law. This apportionment can include Government Assisted housing, but not all government assisted units are rent stabilized.

03 Current Housing Conditions

Rent Over Time



Source: NYCHVS 2011, 2014, and 2017

Gross rents in 2011 and 2014 are adjusted to real 2017 dollars using the BLS NY, NY MSA Base CPI adjustment factor

Based on sub-borough area that approximates CDs 1, 2, 3, and 6

03 Current Housing Conditions

Housing Quality

- About 22% of units have three or more maintenance deficiencies¹
- Bronx CDs 2 and 3 have similar numbers of housing complaints to other Bronx community districts
- HPD has spent over \$800,000 this Fiscal Year on emergency repairs in the area

July 2018 - Feb 2019 (FY 19 YTD)	Bronx CBs 2 and 3
Problems Reported	16,883
Inspections Completed	10,469
New Violations Issued	13,779
Emergency Repairs Completed	\$827,893
Buildings in the Alternative Enforcement Program	39
Buildings in Underlying Conditions Program	8

Source: HPD Division of Code Enforcement, Feb 2019

1 Source: NYC Housing and Vacancy Survey (HVS) 2017. Based on sub-borough area that approximates CDs 1, 2, 3, and 6. Maintenance deficiencies include insufficient heating in winter, heating breakdowns, cracks or holes, presence of rodents, peeling paint, broken plaster, toilet breakdowns, and water leaks

04 City Housing Strategies

Preserve Existing Affordable Housing

- Help low-income homeowners make repairs with new HomeFix program
- Prevent harassment in rent regulated buildings by establishing a Certification of No Harassment Pilot Program
- Provide free legal representation to tenants facing eviction
- Offer loans and tax incentives to building owners in exchange for keeping homes affordable
 - Since 2014, HPD has financed the preservation of **3,582 affordable homes** in CDs 2 and 3



Banana Kelly Union HDFC is a scattered-site project consisting of five multi-family residential buildings located in Morrisania and Foxhurst. The project includes 124 residential units and is currently under construction.

04 City Housing Strategies

Create New Affordable Housing

- Implement Mandatory Inclusionary Housing (MIH) to require permanently affordable homes in new development
- Financing to incentivize the development of affordable housing that exceeds MIH requirements
- Prioritize development of City-owned land with affordable housing
- Support Community Land Trusts
- Support mission-driven groups interested in developing affordable housing



A new 10-story building located at 1490 Southern Boulevard will offer 114 units of affordable rental housing to low-income seniors and formerly homeless seniors. In addition to providing affordable rental opportunities to seniors, the ground floor will have community facility space to be occupied by the LGBT Network. It is currently in construction.

04 City Housing Strategies

Create New Affordable Housing

- Since 2014, HPD has financed the construction of 3,570 new homes in CDs 2 and 3
 - Nearly half (46%) serve households earning less than \$47,000
- Nearly 500 new homes created for seniors in CDs 2 and 3

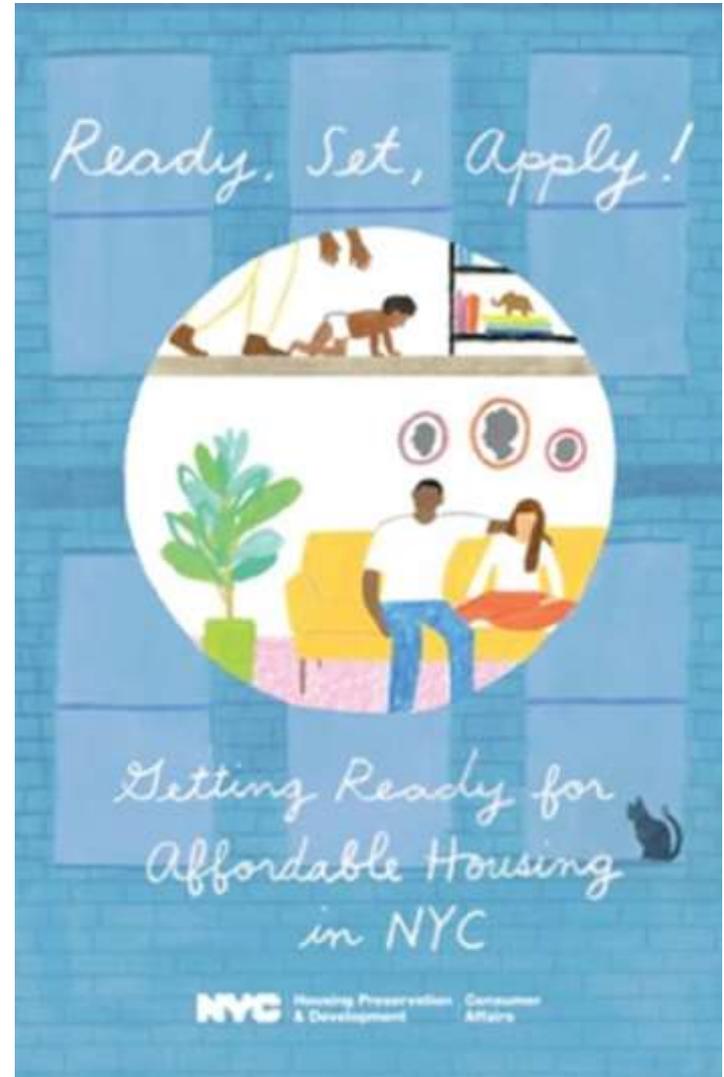
Compass Residences, a 17-acre redevelopment plan along West Farms Road includes the development of 10 mixed-use buildings totaling approximately 1,300 affordable homes. Two of the 10 buildings are occupied, two are in construction, and the remainder are in the pipeline.



04 City Housing Strategies

Increase Access to Affordable Housing

- Make it easier for residents to understand, prepare for, and complete the affordable housing application process
 - Housing Ambassadors
 - Improvements to Housing Connect
 - New guides to help applicants get ready
- Improve Marketing Guidelines to reach New Yorkers most in need
 - Limits on use of credit score and history
 - Clarifying eligibility guidelines and streamlining review for self-employed applicants
 - Additional protections for domestic violence survivors



04 City Housing Strategies

Promote Economic Opportunity

- Expand local hiring incentives in HPD-financed developments
- Expand opportunities for Minority and Women-Owned Business Enterprises (M/WBEs)
- Promote healthy and diverse retail environments

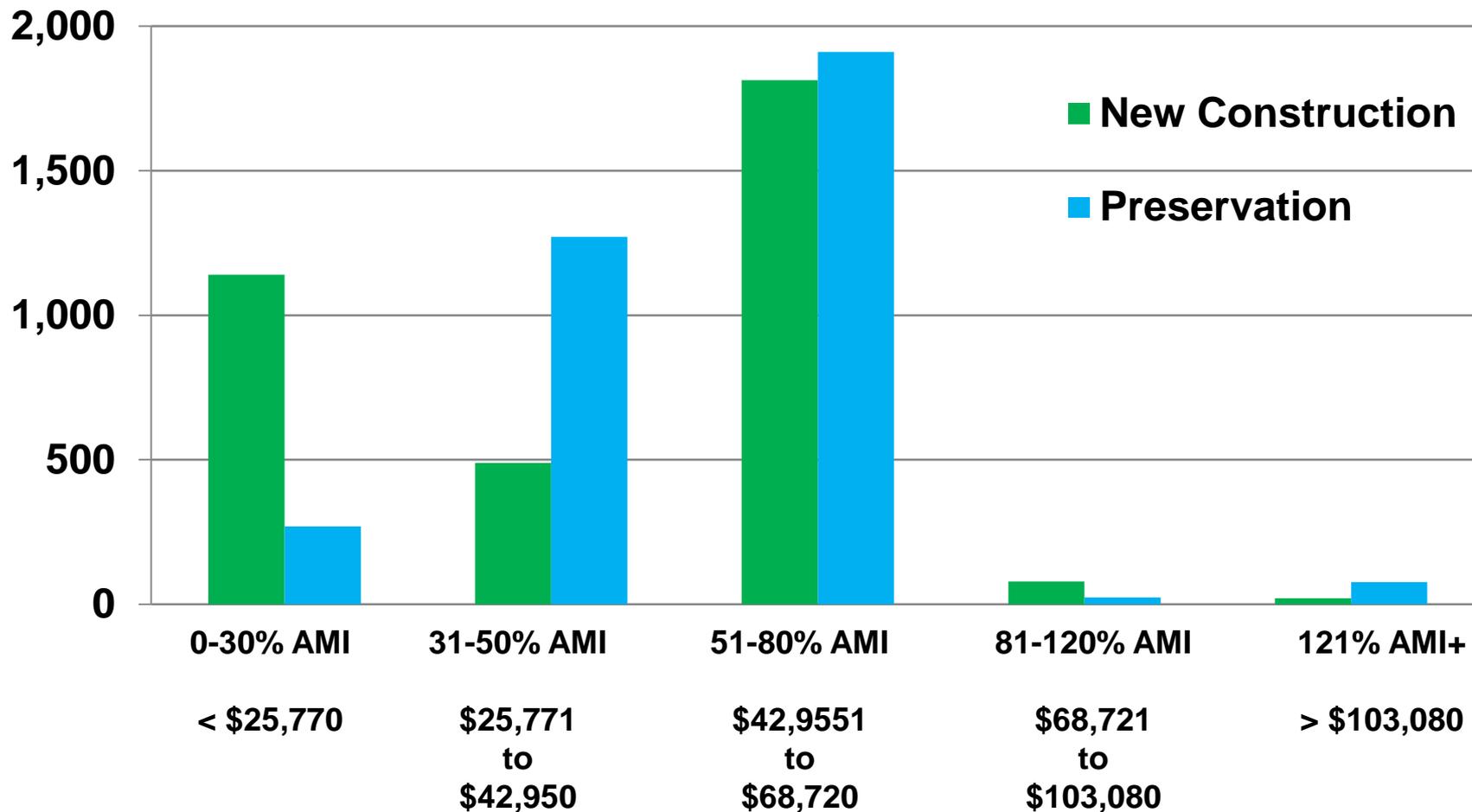


HPD staff presenting at training for M/WBE developers March 2019

05 Appendix

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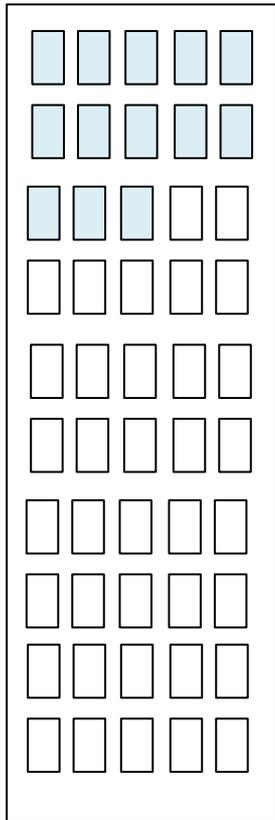
Affordable Homes Created and Preserved in Bronx CBs 2 and 3 Since 2014



Source: HPD Office of Policy and Strategy
Income limits are for a three-person household (HUD 2017)

Mandatory Inclusionary Housing

During the public review process, the City Council and the City Planning Commission (CPC) can choose to impose one or both of two basic options to apply to a rezoning:



100-unit building

1  = 2 units

1 25% of housing must serve households with incomes averaging to 60% AMI (\$56k for a household of three)

- At least 10% of which must be at or below 40% AMI (\$38k)

Examples*:

# of Units	AMI level	3-person HH Income	Sample 2BR Rent
10	40%	\$37,560	\$810
5	60%	\$56,340	\$1,280
10	80%	\$75,120	\$1,820

OR

# of Units	AMI levels	3-person HH Income	Sample 2BR Rent
10	30%	\$28,170	\$575
7	60%	\$56,340	\$1,280
8	100%	\$93,900	\$2,289

2 30% of housing must serve households with incomes averaging to 80% AMI (\$75k for a household of three)

Examples*:

# of Units	AMI level	3-person HH Income	Sample 2BR Rent
10	30%	\$28,170	\$575
10	80%	\$75,120	\$1,820
10	130%	\$122,070	\$2,993

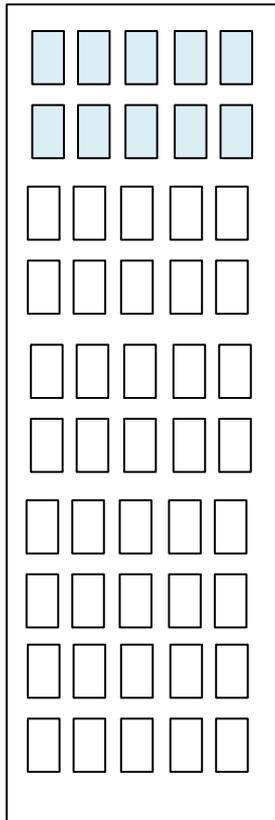
OR

# of Units	AMI levels	3-person HH Income	Sample 2BR Rent
10	60%	\$56,340	\$1,280
10	80%	\$75,120	\$1,820
10	100%	\$93,900	\$2,289

* Examples only, outcomes can vary. AMI, incomes, and rents based on 2018 HUD Income limits. Percentage requirement is based on square footage of residential space, not number of units.

Mandatory Inclusionary Housing

In addition to the two basic options, City Council and CPC may add one or two other options:



100-unit building

1  = 2 units

3 20% of housing must average to 40% of AMI (\$38k)

- Subsidy is allowed only if more affordable housing is provided

Examples*:

# of Units	AMI level	3-person HH Income	Sample 2BR Rent
5	30%	\$28,170	\$575
10	40%	\$37,560	\$810
5	50%	\$46,950	\$1,045

OR

# of Units	AMI levels	3-person HH Income	Sample 2BR Rent
16	30%	\$28,170	\$575
4	80%	\$75,120	\$1,820

4 30% of housing must average to 115% AMI (\$108k)

- Requires at least 5% at 70% AMI and 5% at 90% AMI; no subsidy

Example*:

# of Units	AMI level	3-person HH Income	Sample 2BR Rent
5	70%	\$65,730	\$1,445
5	90%	\$84,510	\$1,874
20	130%	\$122,070	\$2,993

- 10 year sunset unless re-authorized

* Examples only, outcomes can vary. AMI, incomes, and rents based on 2018 HUD Income limits. Percentage requirement is based on square footage of residential space, not number of units.