

# Housing New York

## A Five-Borough, Ten-Year Plan



The City of New York  
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**NYC**

# Housing New York

## A Five-Borough, Ten-Year Plan

**Housing New York** is a comprehensive plan to build and preserve 200,000 units of high-quality affordable housing over the next decade. The Plan will create opportunities for New Yorkers with a range of incomes, from the very lowest to those in the middle class, and will foster vibrant and diverse neighborhoods.

The 200,000 units are anticipated to be 60% preservation and 40% new construction.

# The Process Behind The Plan

## Convened 200 stakeholders

- Affordable Housing Advocates
- Borough Presidents
- City Council Members
- Labor Representatives
- For-profit and Not-for-profit Affordable Housing Developers
- REBNY
- Supportive Housing Providers

## Engaged 13 City Agencies

- Housing Preservation & Development
- Housing Development Corporation
- City Planning
- Buildings
- Homeless Services
- Aging
- Small Business Services
- Finance
- Human Resources Administration
- Economic Development Corporation
- New York City Housing Authority
- Office for People with Disabilities
- Office of Environmental Remediation

Key Facets of

# The Affordable Housing Crisis

- **Gap Between Rents and Incomes**

Over the past decade, average rents rose by more than 10% while wages stagnated

- **High Rent Burden**

55% of renter households are “rent-burdened” and 30% are “extremely rent burdened”

- **Insufficient Housing Production**

The marketplace is not meeting the needs of existing residents, let alone new ones

- **Limited Supply of Affordable Units**

Despite significant public investment, only a fraction of eligible New Yorkers served

- **Population Growth**

230,000 new residents arrived since 2010 and 600,000 more are expected by 2040

# How We Will Address the Crisis

## Key Components of the Plan

1. **Fostering diverse, livable neighborhoods**
2. **Preserving the affordability and quality of the existing housing stock**
3. **Building new affordable housing for all New Yorkers**
4. **Promoting homeless, senior, supportive, and accessible housing**
5. **Refining City financing tools and expanding funding sources for affordable housing**

# Fostering Diverse, Livable Neighborhoods

## Strategies

- Pursue Affordable Housing and Community Development Opportunities in All Five Boroughs
- Make Strategic Investments to Support New Housing and Neighborhood Revitalization
- Promote Mixed-Used, Mixed-Income, Communities Anchored by Affordable Housing
- Create Quality Jobs and Workforce Development Opportunities for New Yorkers



**DOG RUN**

# Preserving the Affordability and Quality of Existing Housing

## Strategies

- Ensure the Safety and Habitability of the Housing Stock
- Adopt a More Strategic Approach to Preservation
- Preserve Government-Assisted/Regulated Affordable Housing
- Create New and Improved Preservation Tools
- Promote Sustainability, Resiliency, and Long Term Affordability While Helping Building Owners Reduce Operating Costs





# Building New Affordable Housing for All New Yorkers

## Strategies

- Ensure more income diversity in the City's Affordable Housing Programs
- Capitalize on Public Assets and Partnerships to Maximize Affordable Housing Opportunities
- Change Zoning and Land Use Regulations to Promote Housing Development
- Ensure That Housing Production Is Sustainable and Aligned with the City's Changing Demographics



# Promoting Homeless, Senior, Supportive and Accessible Housing

## Strategies

- Assist Homeless Individuals and Families
- Expand Supportive Housing
- Improve Housing Options for Seniors
- Ensure Accessible Housing for Individuals with Disabilities



# Refining City Financing Tools and Expanding Funding Sources

## Strategies

- Target and Strengthen City Tax Incentives
- Identify New Funding Streams to Fund Affordable Housing
- Increase Private Leverage and Expand Existing Financing Tools
- Strengthen Public/Private and Philanthropic Partnerships
- Re-Evaluate HPD and HDC Programs to Stretch City Housing Subsidy Dollars Further



# Resources to Implement the Plan

- **Total Development Cost is projected to be \$41.1B over ten years**
  - Direct City Housing Subsidy – projected to fund \$8.2B of Total Development Cost (TDC)
  - Federal and State Funds – project to fund \$2.9B of TDC
  - Private Funds – projected to fund \$30B of TDC, including:
    - Approximately \$11 billion in HDC bonds
    - Approximately \$5 billion in leveraged LIHTC Investor Equity
- **Sources of the Direct City Housing Subsidy include**
  - Current Mayoral Capital of \$2.5B in FY 14-19
  - A total of \$6.7B in HPD capital funding over ten years
  - \$1.1B in HDC reserves and securitization funds
  - \$417M in other City Funds
- **Additional capital to fund infrastructure development**
  - The City has plans for approximately \$375M in infrastructure projects



# Accomplishments & Partnerships

- Started 17,376 units during Calendar Year 2014 (exceeding target by more than 1,000 units)
  - Approximately 8,000 of those units were made possible by HDC's financing
- Updated all our programs to reflect our goals of ensuring more income diversity and maximizing our funding dollars.
- HDC piloted a new HUD/Treasury initiative through The Federal Financing Bank (FBB) which supports the FHA risk sharing program.
- New York City participates in coalitions that enable government housing officials to coordinate shared goals on broader and national platforms, including:
  - The National Association of Local Housing Finance Agencies (NALHFA)
  - The High-cost Cities Housing Forum (HCHF)
  - The National Council of State Housing Agencies (NCSHA)
- Worked with other City agencies to launch *Building Opportunity*: a multi-pronged initiative aimed at increasing development opportunities for Minority and Women Owned Business Enterprises (M/WBE).

# Next Steps

- Continue to expand preservation efforts to prevent the loss of affordable housing that already exists even as we try to build more of it.
- Spring/Summer launch of the Green Preservation Program and related initiatives
- Continue to leverage technology to assist with both internal processes (e.g. managing a rapidly growing portfolio) and external public needs (e.g. managing the affordable housing lottery system, which has more than 500,000 registered users).
- Advocate for changes to the LIHTC program that will make it more flexible and efficient (e.g. Income averaging option and locking the 4% credit).



**“We have to remember that the best and the brightest are born in every neighborhood, in every zip code. And what marks a just society is that it allows them all to reach their potential.”**

**—Mayor Bill de Blasio**