

FY 2018 Borough Budget Consultations

Manhattan - Department of Housing Preservation and Development

Meeting Date 9/26/2016

AGENDA ITEM 1 : HPD Revenue

How much revenue did HPD collect in FY16 through the Asset Management Program? Projected for FY17 and FY18?

AGENCY RESPONSE:

The following amounts in fees were collected and go into the City general fund:

FY '16 Actual \$703,175

FY '17 Projected \$670,000

FY '18 Projected \$665,000

MEETING NOTES:

COMMENTS:

NOTES:

AGENDA ITEM 2 : Funding for Inspectors

Will the funding for HPD inspectors be increased in FY18? How many more inspectors does HPD plan to hire for Manhattan? How many days on average does it take the agency to close out both emergency and non-emergency complaints?

AGENCY RESPONSE:

Citywide, HPD currently has 271 Housing Inspectors and 46 Supervisors. We are currently hiring new Inspectors to backfill for attrition and expect to bring on another 34 inspectors within the next few months. As always, we encourage anyone with a construction background to see if this job would be a good match for them and to apply online through the NYC Jobs Portal at <http://www1.nyc.gov/jobs/index.page>.

The Manhattan office currently is staffed by 34 inspectors and 9 supervisors. Additionally, the Lead-Based Paint Unit, which addressed lead complaints in the Bronx and Manhattan, has 35 inspectors and 6 supervisors. HPD staffs several citywide units with 45 inspectors and 8 supervisors, including the Emergency Response Unit, the Alternative Enforcement Program, the Proactive Preservation Initiative, the Housing Quality Standards Code Inspection Unit, the Canine Unit and the Central Inspection Unit, all of which may conduct inspections in Manhattan based on the particular issues or buildings.

MEETING NOTES:

COMMENTS:

FY15 -- Emergency Response time = 13.3 days, and non-emergency = 27.9 days.

FY16 -- 11.3 days for emergency, and 23.0 days for non-emergency

NOTES:

AGENDA ITEM 3 : Funding for Enforcement and Tenant Programs

What level of funding will the following HPD programs and interagency initiatives receive in FY18 compared to FY17?

Will there be additional funding for staffing and interagency liaisons?

- a. Housing Quality Enforcement Programs
- b. Organizing new tenant associations
 - i. Stabilizing New York Program
 - ii. The Housing Preservation Initiative (HPI)
 - iii. The Community Consultant Contract

AGENCY RESPONSE:

FY 17 responses: The funding levels below are FY 17 levels. We do not have FY 18 requests at this time.

- Housing Quality Enforcement Programs- The Office of Enforcement and Neighborhood Services is charged with carrying out those programs. Their entire budget is approximately \$113 million for FY 17.
 - o Stabilizing New York Program - \$2.0 million
 - o The Housing Preservation Initiative (HPI)- \$2.751 million
 - o The Community Consultant Contract \$1.100 million/\$2.388 million with Local Initiatives

MEETING NOTES:

COMMENTS:

CB11: question about 311 complaints that conclude in 'no access'. HPD: when that happens we leave a card for the tenant, and follow up with a letter. The complaint is not closed until at least 10 days. With heat complaints, we don't have that problem unless there's no access to the building - our inspectors are required to check other apartments to determine whether it's unit specific or a problem in the entire building.

NOTES:

CB11 requests that HPD follow up with 311 stat info.

AGENDA ITEM 4 : Staffing for MIH

With the expansion of areas in which inclusionary housing is required, our experience has been that HPD needs to increase administrative capacity. What staffing increases have been made, and what additional staffing is required to meet the increases of the MIH program? Is funding going to be included for technical assistance for staffing to meet the increases of the MIH program?

AGENCY RESPONSE:

Inclusionary Housing (IH) staffed up in Fiscal Years 2015 and 2016 to deal with the growing Voluntary Inclusionary Housing (VIH) pipeline, and in preparation for Mandatory Inclusionary Housing (MIH) being passed by the City Council. The division will continue to increase staff capacity (see below). Additional Project Managers were hired last fiscal year, as well as a Director of Operations, a Deputy Director, and an Underwriter. This increased IH staff from three staff people in late 2014 (two Project Managers and an Assistant Commissioner), to 10 staff as of 9/12/2016, when another Project Manager will be joining our team.

Attached please find our FY 2016 staff requests from last fiscal year.

MEETING NOTES:

COMMENTS:

- Mark from CB7: Is this staffing enough to handle the pending surge in workload, or should we push for more MIH staff funding for you? HPD: at this time we feel that the staffing of this unit is adequate going into the next fiscal year.
HPD: We'll have to see how MIH plays out.

NOTES:

AGENDA ITEM 5 : Continuing Housing Programs

Which of HPD's programs for new housing are targeted for continued use, which will be disbanded and which will come on-line in FY18? Please include the targeted income ranges for each program.

AGENCY RESPONSE:

The Following programs and tools are in place to produce or preserve housing that is affordable to a range of income groups:

Term sheets that describe income ranges for each program can be found on the HPD website.

1. Article 8A Loan
2. Participation Loan Program (PLP)
3. HUD Multifamily
4. Year 15 LIHTC Preservation
5. Third Party Transfer (TPT)
6. Multifamily Preservation Loan Program (MPLP)
7. Affordable Neighborhood Cooperative Program (ANCP)
8. Supportive Housing Loan Program
9. Senior Housing Program
10. Low Income Rental Program
11. Multifamily Rental – Mixed
12. Multifamily Rental – Mod/Mid
13. Multifamily Homeownership
14. Small Homes Scattered
15. Small Home Large Scale

Some new programs that HPD is developing include:

- Green Loan Program to help owners of small to mid-size multifamily buildings cover the cost of undertaking rehabilitation that improves energy and water usage.
- The Small homes Rehab-NYCHA program is a collaboration between HPD and NYCHA along with other non-profit organizations. Under this program 1-4 family vacant properties are rehabilitated and sold to income-eligible purchasers.
- HPD's New Infill Homeownership Opportunities Program (NIHOP) promotes workforce homeownership construction in neighborhoods that lacked homeownership opportunities and encourages developers and contractors to create affordable housing. NIHOP is a mixed-income program that seeks to promote homeowner affordability and reflect income diversity.

MEETING NOTES:

COMMENTS:

NOTES:

AGENDA ITEM 6 : Housing New York Program

What city resources are needed to assist HPD in increasing affordable housing through Housing New York (HNY)? How many units, in each AMI band, were constructed or preserved in FY16 in each community district? How many new and preserved units are expected to be completed in FY17? How many are projected for FY18?

AGENCY RESPONSE:

AGENCY RESPONSE:

The Mayor’s Executive Budget continues to position HPD to fulfill the goals of Housing New York, the Mayor’s plan to create and preserve 200,000 affordable housing units in ten years. To date, we have made record-breaking progress towards our goals, having financed the preservation or new construction of 53,000 homes, surpassing our housing starts target each fiscal year and staying on budget. In FY 2016 alone, HPD had the second highest production on record, since the peak of Mayor Koch’s housing plan, with 23,284 affordable apartments and homes financed. At the same time, we have achieved historic policy initiatives that will bring new housing opportunities to thousands of needy New Yorkers with the passage of Mandatory Inclusionary Housing and Zoning for Quality and Affordability. Housing New York relies on City, State, and Federal sources to leverage significant private investment. While we face ongoing challenges accessing state resources and the federal budget is unpredictable, the Mayor’s capital commitment for HNY remains fully funded and consistent. However, HPD is primarily federally funded, which are highly constrained resources. We continue to fight to increase the amount of federal resources directed at affordable housing, including advocating to expand the low income housing tax credit (LIHTC) and make it more flexible. In the meantime, City resources – though a small fraction of our budget –are critical to meeting our mission and allow us the flexibility and nimbleness to innovate, to address new problems as they arise, and to tailor our programs to address the City’s many housing challenges.

Projected New construction Units in Manhattan

FY 2017 Projection	FY 2018 Projection	Total for FY 17 & FY 18
1,100	2,356	3,456

Projected Preservation Units in Manhattan

FY 2017 Projection	FY 2018 Projection	Total for FY 17 & FY 18
1,024	1,360	2,384

Fiscal Year 2016 HNY Housing Starts in Manhattan CBs by AMI

Community Board Extremely Low (0-30%) Very Low (31-50%) Low (51-80%) Moderate (81-120%) Middle (121-165%) Other (super) Total

2	175	175						
3	5	81	363	41	5	2	497	
4	136	15	170	9	330			
5	45	45						
6	495	4,505	5,000					
7	134	1	135					
8	26	2	28					
9	49	75	35	4	163			
10	373	289	263	24	4	953		
11	54	777	18	325	2	1,176		
12	20	1	21					
Total	617	769	2,194	98	4,835	10	8,523	

MEETING NOTES:

COMMENTS:

CB2: how do you measure units preserved? HPD: We look at capital improvements, achieving extensions of affordability, in addition to others

NOTES:

CB11: what specific projects in CB4 and CB10 featured very low AMIs? HPD: We will get back to you about it.

AGENDA ITEM 7 : Funding for TIL

How much funding as HPD allocated to TIL/HDFC/ANCP buildings for management and technical assistance in FY18?

How many buildings in each Manhattan Community District were rehabilitated under ANCP in FY16, and how many are slated to be rehabilitated in FY17?

AGENCY RESPONSE:

The TIL/ANCP/ HDFC budget for training and technical assistance for FY18 is \$1.3 million. There are no plans to expand TIL as there are no additional buildings left in City ownership that we deem appropriate.

HPD has launched the Affordable Neighborhood Cooperative Program (ANCP), designed to facilitate the rehabilitation of occupied City-owned buildings from the TIL pipeline. After rehabilitation the buildings become affordable cooperatives for low- and moderate-income households. Most TIL properties are occupied, but some have been vacated because the tenants have temporarily relocated due to poor building conditions. Existing tenants in good standing, whether or not relocated, have the right to return to the buildings at the end of rehabilitation.

Under ANCP, HPD provides low-interest loans from City Capital, in combination with construction and permanent financing sources from private institutional lenders. Additional funding may come from the New York State Affordable Housing Corporation (AHC) or other sources. Readiness for the building to be financed under ANCP is dependent upon a variety of factors including successful management of the building, maintaining an active tenant association, and general compliance with the TIL program.

To assist Tenant Associations in TIL properties, properties in pre-development or rehab under ANCP, or existing coop HDFCs, HPD contracts with community-based providers to provide training and technical assistance in achieving and maintaining program compliance throughout TIL enrollment and throughout the ANCP rehabilitation period.

Community-based providers also give assistance to HDFCs to ensure compliance with applicable regulatory agreements, a functioning TA board, and proper management and maintenance of properties.

1. How many buildings in each Manhattan Community District were rehabilitated under ANCP in FY16, and how many are slated to be rehabilitated in FY17?

The Affordable Neighborhood Cooperative Program closed on construction loan financing for the rehabilitation of 55 units in Manhattan Community Districts in FY16. ANCP currently projects closing approximately 100 units in Manhattan Community Districts in FY17.

Units closed in FY16:

- 22 units closed in CD 9 (Inez Dickens)
- 8 units closed in CD 17 (Rafael Salamanca)
- 10 units closed in CD 8 (Melissa Mark Viverito)
- 15 units closed in CD 7 (Mark Levine)
- A total of 55 Total Units Closed in FY2016

MEETING NOTES:

COMMENTS:

NOTES:

AGENDA ITEM 8 : Funding for Ownership vs. Rentals

How much money was allocated for affordable homeownership vs. affordable rentals in FY16 and FY17? How much is projected for FY18 and FY19? Please provide breakdown by community district for families as well as single dwellers.

AGENCY RESPONSE:

Fiscal Year 2016 HNY Housing Starts in Manhattan CBs by Occupancy Type, Total City Subsidy and Total Development Cost

Occupancy Type MN Community Board Total City Subsidy * Total Development Cost at Start

Rental 2	\$	-	\$	8,812,725
3	\$	334,333	\$	194,289,153
4	\$	-	\$	200,055,887
5	\$	-	\$	33,893,723
6	\$	-	\$	-
7	\$	18,769,000	\$	19,018,000
8	\$	-	\$	38,055,952
10	\$	48,845,472	\$	254,098,281
11	\$	33,330,000	\$	82,221,770
12	\$	3,307,218	\$	6,846,723
Rental Total	\$	104,586,023	\$	837,292,214
Homeowner 3	\$	1,787,586	\$	159,940,996
8	\$	-	\$	17,286
9	\$	1,986,556	\$	4,228,861
10	\$	3,411,090	\$	4,866,772
11	\$	2,217,000	\$	3,613,050
Homeowner Total	\$	9,402,232	\$	172,666,965
Total	\$	113,988,255	\$	1,009,959,179

*City subsidy includes City Capital, HDC Reserves, Reso A, 421-a Fund, and OurSpace.

**Projects indicating no city subsidy were developed with benefits of a local tax exemption or HPD's Inclusionary Housing Program

MEETING NOTES:

COMMENTS:

NOTES:

AGENDA ITEM 9 : Tenant Harassment Prevention

What funding was provided to support the Tenant Harassment Prevention Taskforce in FY17 and how much is projected for FY18?

AGENCY RESPONSE:

HPD did not receive any funding specifically for the Tenant Harassment Prevention Taskforce in FY17 or FY18 but we are committed to assist our partners in ensuring that the taskforce is successful in its mandate to prevent all forms of harassment in the housing field. HPD staff participates in Task Force activities as part of our regular workload.

MEETING NOTES:

COMMENTS:

NOTES:

AGENDA ITEM 10 : Lottery Outreach

How much funding was allocated in FY17 to prepare residents for affordable housing lotteries? What programs are currently used or will be instituted to provide such assistance? What amount of funding is projected for FY18? How

much funding was allocated in FY17 to appeal decisions in the affordable housing lotteries?

AGENCY RESPONSE:

In the past 24 months, the number of staff in the Marketing and Affordability Oversight unit has doubled while the portion of staff time allocated to activities that help prepare applicants for lotteries has increased significantly as well. Increased staff resources have allowed the team to present at more public events that educate applicants and respond to more applicant inquiries than they were able to previously, and we anticipate this level of focus on applicant preparedness to continue. In addition, the unit has expanded the education and training of community-based organizations who help people with the application process, through information sessions and our Housing Ambassadors program. The Ambassadors program is a network of organizations with whom Marketing partners to ensure that communities are receiving accurate and complete information and materials, as well as in-person assistance, during the application process. The program has tripled in size since 2014, and was recently was awarded a \$195,000 grant from the City Council Speaker’s Office to support further expansion and increase the capacity of the organizations involved. In FY17 we have \$633K for 9 staff in marketing unit, this amount is annually it is the same amount for FY18.

MEETING NOTES:

COMMENTS:

Appeals are handled by developers, not HPD

NOTES:

AGENDA ITEM 11 : Tenant Rights Outreach

How much funding is allocated for the distribution of HPD’s tenant rights materials and public outreach? Please provide a breakdown by Manhattan Community District and areas targeted for rezoning. How much funding was allocated in FY17 for technical assistance to the tenants to understand the materials and public outreach process?

AGENCY RESPONSE:

The FY 2016 annual budget of the HPD Office of Neighborhood Services-Community Outreach and Education unit was approximately \$397,000, of which approximately 85% was the salaries of the five staff. In the past fiscal year, COE arranged for staff to attend 20 community tabling events in Manhattan of the 85 we attended Citywide, we organized four Resource Fairs in Manhattan of the 28 we organized Citywide, and we taught 30 courses out of our lower Manhattan office. Of the four Manhattan resource fairs: two were in East Harlem, one was in West Harlem and one was in Inwood/Washington Heights. Two of the Manhattan tabling events we staffed were embedded in Inwood rezoning public outreach sessions. Tenant rights literature was distributed at all these events, fairs and courses.

At our own Fairs, at our classes and at the community events where we are invited to set up a table, NYCHPD Outreach and Education routinely distribute a wide variety of HPD materials and the materials of other governmental entities and not for profit organizations. These include tenant rights in housing court, housing condition rules and regulations, affordable rental and homebuyer opportunities, DOF rent-freeze programs, housing discrimination resources; AG, NYCDOB and NYSHCR tenant protections; as well as a wide variety of healthy homes information covering issues such as window guards, CO detectors, pests, lead paint, etc. In addition, at our Tenant Resources Fairs, we invite Legal Aid/Legal Services housing attorneys to present an overview of tenant rights.

MEETING NOTES:

COMMENTS:

HPD: HRA is lead on tenant counsel funding. There is legislation for position that would handle legal counsel for citizens 200% or more below poverty level (not sure where it'd be housed).

NOTES:

AGENDA ITEM 12 : Tax Credit Changes

How much has the City allocated in tax credits per Manhattan Community District in FY17 compared to FY16 and projected to FY18? In FY16, HPD had \$14.5M in credit authority, but the prior two years only allocated \$2.987M and \$2.189M respectively- please explain this discrepancy.

AGENCY RESPONSE:

The 9% tax credit is a competitive source of financing so we have not set-aside any portion of the credits to any borough, project, etc. Each year, we release our Qualified Allocation Plan that spells out the scoring criteria for the competitive applications and those applications are then ranked by score. Geographical location by borough is not a scoring criteria. There were no 9% applications received by HPD in FY16 from projects located in Manhattan. All of the 9% applications submitted by projects located in Manhattan in the last 3 years have scored well enough to be funded with tax credits.

FY16 – \$0 (<http://www1.nyc.gov/assets/hpd/downloads/pdf/LIHTC/2015-funding-round.pdf>)

FY15 – \$3.3m (<http://www1.nyc.gov/assets/hpd/downloads/pdf/LIHTC/2014-LIHTC-Award-List.pdf>)

CB-3 --\$1,939,980, CB-10--\$1,336,606

FY14 – \$2.7m (<http://www1.nyc.gov/assets/hpd/downloads/pdf/LIHTC/2013-Award-List-with-Unit-Counts.pdf>)

CB-9—\$2.7m

FY 17--We have not had this year’s 9% funding round yet. The pre-submission conference will be held on Monday, August 29th .The application submission deadline will be 4 pm on Friday, September 23rd and we anticipate announcing the awards around November 30th.

MEETING NOTES:

COMMENTS:

NOTES:

AGENDA ITEM 13 : Budget Priorities

What are HPD’s funding priorities that you would like us to advocate for in the FY18 budget process?

AGENCY RESPONSE:

HPD appreciates the Community Boards’ support of all Budget items. The Mayor has committed to fully funding the Housing New York plan, and the Department appreciates your support at all levels of HPD appreciates the Community Boards’ support of all Budget items. The Mayor has committed to fully funding the Housing New York plan, and the Department appreciates your support at all levels of government.

MEETING NOTES:

COMMENTS:

NOTES:

CB3: What is funding priority for advocacy groups? HPD: we will have to get back to you

AGENDA ITEM 14 : Budgeting Process

Please explain any particular features of your budgeting process that CB's should take into account when formulating their requests.

AGENCY RESPONSE:

There are two particular aspects of HPD budgeting and funding that might be of interest to Community Boards. First, a large percentage of the Housing New York budget comes from non-local sources. HPD utilizes the Federal Low Income Housing Tax Program, Section 8, HOME, and other federal programs that are dependent on resources delivered to us from Washington, DC and are independent of local allocations. Second, the majority of HPD financing – for both new construction and preservation – is provided to privately-owned developments. Although the City sets targets for financing units by income level and geographic areas, actual production tends to fluctuate based on the projects that come to HPD for assistance with financing.

MEETING NOTES:

COMMENTS:

NOTES:

ADDITIONAL NOTES:

None.