# Affordable Housing Partnerships and Resources:

## New York City

Alyson Zikmund, Executive Director of Policy & Rental Assistance
New York City Department of Housing Preservation and Development

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# NYC CoC Housing Partners

- PHAs
  - HPD (70 CoC rental assistance grants, 100 buildings, 4,200 units)
  - NYCHA
- City/State Agencies
- Not for profit developers and operators

# Types of affordable housing

Public Housing/
and development on
PH and Hospital Land

Mitchell-Lama

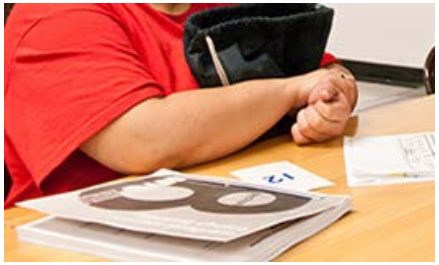
Publicly-Financed
Private Housing

Senior Housing

Supportive
Housing

Mandatory
Inclusionary
Housing
(MIH)

Rent
Stabilization



Section 8
Vouchers

# How does HPD Create Affordable Housing

## Source of Property

- Privately-owned sites - Developers / owners apply to the City for low-interest loans, tax credits, and other incentives in exchange for building or preserving affordable housing

- Publicly-owned sites - The City awards property to private developers via competitive processes (RFP, RFQ, etc.) based on a range of factors, including affordability, and may also provide other financial assistance

## Type of Construction

- Preservation -- facilitating the physical and financial sustainability and affordability of existing residential buildings by helping owners address a spectrum of operating, rehabilitation, and other financing needs

- New Construction -- leveraging City, State, and Federal subsidies and other tools to finance the creation of new affordable units

# Supportive Housing Loan Program (SHLP)

**Description:** Follows same structure as other HPD New Construction programs to provide low interest loans to non-profit organizations or joint ventures

| | |
|---|---|
| **Ownership** | Long-term project control must be with a non-profit organization or entity wholly controlled by a non-profit |
| **Income Levels** | Minimum of 60% of units reserved for homeless and disabled tenants; 100% of units rented to tenants earning up to 60% AMI |
| **HPD Subsidy*** | 4% LIHTC: up to $75K/DU<br>9% LIHTC: up to $125K/DU |
| **Social Services** | On-site social services and social service funding required for supportive housing units |
| **Unit Breakdown** | 50 unit minimum preferred; typically large percentage of studio units |
| **Rental Assistance** | Homeless units typically have rental subsidy such as Section 8 or service contracts with a rental component |

*SHLP typically used with LIHTC, private loans and other public subsidy

# Financing Tools

HPD's financing programs typically combine direct subsidy with tax exemptions/abatements to help with the acquisition, construction / rehabilitation, refinancing, and / or operations of buildings to ensure long term financial viability and affordability.

A. Acquisition

B. Loans

C. Real estate / property tax incentives (e.g., 420-c, Article XI, J-51)

D. Tax credits

E. Operations

# Deeper Affordability/ Income Mixes

## AVAILABLE UNITS AND INCOME REQUIREMENTS

| Unit Size | | Monthly Rent[1] | Units Avail-able | | House-hold Size[2] | Annual Household Income[3] *Minimum – Maximum[4]* | | Monthly Rent[1] | Units Avail-able | | House-hold Size[2] | Annual Household Income[3] *Minimum – Maximum[4]* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Studio | 30% AREA MEDIAN INCOME (AMI) UNITS | $395 | 4 | → | 1 person | $15,429 - $21,930 | 40% AREA MEDIAN INCOME (AMI) UNITS | $562 | 6 | → | 1 person | $21,155 - $29,240 |
| 1 bedroom | | $426 | 10 | → | 1 person | $16,560 - $21,930 | | $605 | 15 | → | 1 person | $22,698 - $29,240 |
| | | | | | 2 people | $16,560 - $25,050 | | | | | 2 people | $22,698 - $33,400 |
| 2 bedroom | | $521 | 6 | → | 2 people | $19,852 - $25,050 | | $736 | 9 | → | 2 people | $27,223 - $33,400 |
| | | | | | 3 people | $19,852 - $28,170 | | | | | 3 people | $27,223 - $37,560 |
| | | | | | 4 people | $19,852 - $31,290 | | | | | 4 people | $27,223 - $41,720 |
| 3 bedroom | | $594 | 4 | → | 3 people | $22,903 - $28,170 | | $843 | 6 | → | 3 people | $31,440 - $37,560 |
| | | | | | 4 people | $22,903 - $31,290 | | | | | 4 people | $31,440 - $41,720 |
| | | | | | 5 people | $22,903 - $33,810 | | | | | 5 people | $31,440 - $45,080 |
| | | | | | 6 people | $22,903 - $36,300 | | | | | 6 people | $31,440 - $51,760 |
| **Unit Size** | | **Monthly Rent[1]** | **Units Avail-able** | | **House-hold Size[2]** | **Annual Household Income[3]** *Minimum – Maximum[4]* | | **Monthly Rent[1]** | **Units Avail-able** | | **House-hold Size[2]** | **Annual Household Income[3]** *Minimum – Maximum[4]* |
| Studio | 50% AREA MEDIAN INCOME (AMI) UNITS | $729 | 6 | → | 1 person | $26,880 - $36,550 | 60% AREA MEDIAN INCOME (AMI) UNITS | $896 | 20 | → | 1 person | $32,606 - $43,860 |
| 1 bedroom | | $784 | 15 | → | 1 person | $28,835 - $36,550 | | $963 | 65 | → | 1 person | $34,972 - $43,860 |
| | | | | | 2 people | $28,835 - $41,750 | | | | | 2 people | $34,972 - $50,100 |
| 2 bedroom | | $951 | 9 | → | 2 people | $34,595 - $41,750 | | $1,166 | 33 | → | 2 people | $41,966 - $50,100 |
| | | | | | 3 people | $34,595 - $46,950 | | | | | 3 people | $41,966 - $56,340 |
| | | | | | 4 people | $34,595 - $52,150 | | | | | 4 people | $41,966 - $62,580 |
| 3 bedroom | | $1,091 | 6 | → | 3 people | $39,943 - $46,950 | | $1,339 | 26 | → | 3 people | $48,446 - $56,340 |
| | | | | | 4 people | $39,943 - $52,150 | | | | | 4 people | $48,446 - $62,580 |
| | | | | | 5 people | $39,943 - $56,350 | | | | | 5 people | $48,446 - $67,620 |
| | | | | | 6 people | $39,943 - $60,500 | | | | | 6 people | $48,446 - $72,600 |

# Marketing Guidelines

**Implemented 10/1/2015, Revised 7/1/2018**

| | General Applicants | Homeless Shelter Referrals |
|---|---|---|
| **Credit Score** | Developers may not reject applicants based solely on credit score. Credit score may be used only as an indicator of financial stability.<br>Developers may choose to accept applicants with a credit score of 580 on a FICO scoring system without further review of their financial stability.<br>If applicant's credit score is below 580, applicant must also fail to meet one of the other criteria detailed in these guidelines in order to be rejected.<br>• Developers must explicitly state in the Marketing Plan how credit score will be used in evaluating applicants and must consistently apply the policy throughout the lottery.<br>• If the developer is using a credit scoring system other than FICO as an indicator of applicants' financial stability, s/he is required to provide the monitoring agency with an explanation of the scale and scoring criteria for that model. | Same as criterion for general applicants, except that developers may choose to accept homeless applicants with a credit score of 500, rather than 580, without further review of their financial stability. |
| **Eviction/ Landlord-Tenant Action** | Developers may reject an applicant for a prior for-cause eviction, provided that a warrant of eviction was executed upon within the last two years and the tenant never restored to possession. | Developers may reject an applicant for multiple prior for-cause evictions, provided that two or more warrants of eviction were executed upon within the last two years and the tenant never restored to possession. |
| **Bankruptcy** | Developers may reject an applicant for a prior or pending bankruptcy, provided that the bankruptcy filing occurred within in the last 12 months. | Same criterion as general applicants |
| **Delinquencies, Money Judgments, Collections, and Liens** | Developers may reject an applicant if their total open/unsatisfied delinquencies, collections, money judgments, and liens exceed $5,000.<br>• Excludes delinquencies due to medical debt or student loans | Developers may not reject a homeless client based on rent delinquencies occurring prior to shelter stay. |

# Non-financing tools

- Zoning:
  - Work with City Council / City Planning Commission to create more and deeper affordability (for more public $ or to be able to build larger)

- Vouchers:
  - Homeless preference, then make sure you can lease up quickly!
  - New HUD RFPs coming out that require CoC coordination (Mainstream, 811) and expertise
  - Moving On

- Housing Placement:
  - Coordinated Entry can more efficiently get eligible tenants to the housing intervention quickly
  - Marketing
    - Supportive housing is not marketed
    - Affordable housing goes through lottery

# Ensuring Affordability

A. Regulatory agreement

- Describes requirements for population affordability, including term, mix, rent limits, income limits, and compliance

B. Other tools include:

- Rent stabilization
- Enforcement mortgages
- City can bring foreclosure action for noncompliance with loan documents and/or regulatory agreement
- Coordination with other lenders and regulatory agencies (e.g., HUD, HCR/HFA, AHC, tax credit investors, banks)
- Source of income discrimination enforcement

# Other Housing Models

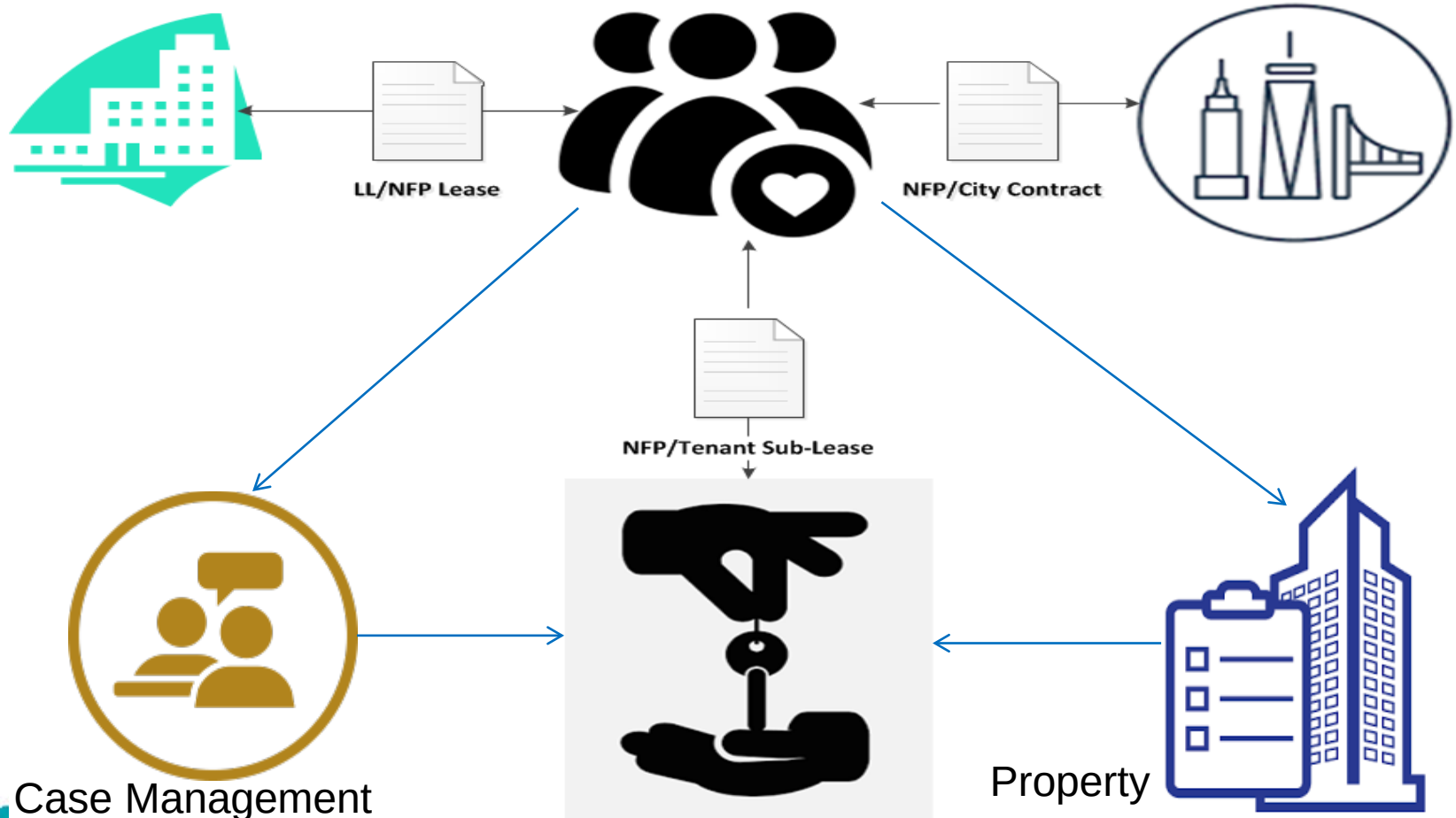
## Master Leasing

- RFP issued by City's Human Services agency
  - 600 units PSH
  - Minimum 20 units, not less than 80% of residential units in building
  - On-site social services, property management, security, etc.
  - Paired with rental subsidies (local and Federal)
  - 1,000 tenants
  - 15 sites
  - 7 contracted not for profit providers

# Master Leasing for Veterans

Landlord/Not-for-Profit independently identify partnership opportunity

NFP & City enter contract for funds to lease building and deliver services to tenants



# Lessons Learned

It takes a little bit of **everything**

- For PHAs, focus on voucher utilization
  - SSVF and other RRH providers have the skill set to find units in the private market and help clients transition to a new home
- CoC coordination with other HUD programs
  - Recent Mainstream & FUP voucher RFPs
  - Allows CoC to serve a broader population and PHAs need CoC assistance with referrals and placement
- Find the Win/Win situation
  - E.g. Hospitals want people discharged who don't need medical care, we need land to build housing

# Questions?