



AFFORDABLE NEIGHBORHOODS:

||||| 2013 |||||

Housing Policy for the **Future** of New York City

New Yorkers at every economic level face an affordability crisis in so many aspects of our lives; transportation, education, basic living expenses, and especially housing. If New York wants to continue being a world-class city with a dynamic, innovative economy, it needs a broad and diverse workforce. In turn, that workforce needs affordable, stable housing so that our neighborhoods and our city can thrive.

What kind of city do we want New York to be in the coming decade?

We need housing for the new immigrants who keep our city growing and the entrepreneurial and small business sector thriving. We need homes for the workers of the many small manufacturing and service jobs. Students who come to this city need affordable apartments, and once they've completed their educations, they need attainable rents so they can commit to our city as they put their knowledge to use and start their careers. The moderate-income professionals – police, nurses, teachers, non-profit employees – who are so essential to our economy and to our society must be able to live within our five boroughs. Even high-income professionals need a way to manage exorbitant housing costs as they weigh all the expenses of making a life in our city.

How will the leaders of our city ensure that housing costs remain stable and attainable for all the New Yorkers that our city needs to thrive? Can we keep rising housing prices in Tribeca from undermining the creativity that made that neighborhood? Can displacement pressure in Bushwick be kept at bay so the immigrant community isn't forced out? Can good, quality housing strengthen the economic and social fabric in Melrose? Will a new publicly-subsidized development in Willets Point actually be affordable for the Queens residents it should serve?

The destruction of Hurricane Sandy has reminded us, more than ever, that a resilient city needs a long-term commitment to equitable and durable physical and civic infrastructure. Affordable housing makes strong, stable neighborhoods where people can commit to their community. Our city is in a constant state of transformation and change. Our neighborhoods must have a resilient civic and social infrastructure so that residents can be part of and guide that change. With stable neighborhoods that are affordable to their residents, stakeholders can forge alliances so that urban transformation not only becomes possible, it becomes easier.

We need political leaders who believe we can do better than concede an ever-losing fight for affordability. We need an administration with a vision for the city in which families raise their children, commit to their neighborhood, and choose to start out or stay put – whether in Tribeca, Bushwick, Melrose, or Willets Point. We need a vision of New York as a city where it is simply not acceptable for people to lose their apartments to exorbitant rent hikes, homes to foreclosure, and their hard-earned income to ever increasing fees, tolls, and expenses. This vision for New York is as a thriving city of neighborhoods, with a place for all.

The ANHD Affordable Neighborhoods policy platform focuses on nine critical policy areas that the political leaders of our city can support to help our city lead the way in the coming decades:

1. Invest in the Creation of Affordable Housing:

Because of the nature New York’s geography and real estate market, not a single unit of affordable housing will be built without some form of public subsidy. Our political leaders must make the commitment to invest, build and preserve. Furthermore, it is always far, far cheaper to preserve our precious existing supply of affordable housing than it is to build new.

2. Build Housing to Meet the Real Affordability Needs of Residents:

Currently, much of the affordable housing built is unaffordable for the majority of families in the neighborhood. The next mayor must better target the rent and income levels, unit sizes and length of affordability to meet community need and maximize the city’s value of the public investment.

3. Maximize Community Impact with Non-Profit Community-Based Development Approach:

Each housing development is an opportunity for the city to create affordable housing, but it is also an opportunity to reinvest in neighborhoods. Non-profit community-based developers serve the community and seek to strengthen the civic infrastructure of the neighborhood through the development process.

4. Establish Mandatory Affordability through Inclusionary Zoning:

The city continues to see enormous development and growth from changes in zoning regulations. This presents an extraordinary and untapped opportunity – affordable housing can be better fused into the city’s growth. The next administration should adopt a mandatory affordability policy that would generate affordable housing units for future generations across the city through binding inclusionary zoning.



5. Preserve Every At-Risk Unit of the Existing Affordable Housing:

At a time when affordable housing is increasingly difficult to find, thousands of units of affordable housing are at-risk due to expiring affordability, market pressure, over-leveraging, physical distress, and code and zoning regulations that do not make reasonable accommodations for informal apartments built in single-family homes. The next mayor must ensure we do not continue to let housing built with city, state, or federal subsidy slip away, or let inflexible zoning and code undermine informal neighborhood housing assets.

6. Ensure New Homeownership Opportunities for Qualified Buyers and Protect Existing Homeowners from Foreclosure:

While it is true that New York is a renters' city, about one-third of residents own their homes. New York City must employ every strategy to keep homeowners in their homes, force lenders to maintain foreclosed properties, and encourage the productive reuse of foreclosed homes as new affordable homeownership opportunities.

7. Protect Tenants to Enable Long-Term Tenure and Healthy Physical Conditions:

Our political leaders must use their legislative authority or their bully pulpit where they don't have direct authority to strengthen rent protections for our Rent Stabilized stock and improve code enforcement so conditions are decent and safe.

8. Hold Banks Accountable to Meet the Credit Needs of Our Neighborhoods:

Lending and investment are the lifeblood of healthy neighborhoods, and we need banks as partners to provide appropriate, sustainable financing for apartment buildings and single-family homes, as well as community development. Too often in recent years, banks have done the opposite, irresponsibly deploying capital before the economic crisis, and then refusing to write-down unsustainable mortgages and make small-business and homeowner loans where they are desperately needed. Our political leaders need to use the leverage of government, including the City Banking Commission, to hold banks accountable to our communities.

9. Strengthen New York City Housing Authority and Increase Job Opportunities for Residents:

The apartments operated by the New York City Housing Authority are one of the great affordable housing resources of our city, with over 178,000 apartments located in 334 developments across the city, that provide housing for over 400,000 New Yorkers. Unfortunately, NYCHA housing is underappreciated and underfunded. In spite of its challenges, NYCHA housing remains a vital community resource and in great demand with a tenant waiting list that is many years long. The next mayor should strengthen public housing so it can improve the key services it provides to the New Yorkers who need it most.

Each plank of ANHD's platform represents a workable approach to confront the skyrocketing cost of housing, and will help to sustain New York as a diverse, vibrant city of neighborhoods – a New York that provides homes for its citizens, that fosters community, and that strives for justice.



NINE PLANKS of the AFFORDABLE Neighborhoods Platform



1. Invest in the Creation of Affordable Housing for Low- and Moderate-Income Families, Immigrants and Senior Citizens.

It is a fact of our city's real estate market that not a single unit of affordable housing will be built without some form of government support. Meanwhile, we continue to experience a severe housing affordability crisis. The lack of decent, affordable housing affects all families, regardless of income level, and jeopardizes our communities. The affordability squeeze is only expected to worsen as 500,000 additional residents are projected by 2020. To prepare for these new New Yorkers and dampen pressure on existing households, the next mayor must have a bold vision and deep commitment to build housing across the five boroughs. If New York wants to continue being a world-class city with a dynamic, innovative economy, it needs a broad and diverse workforce and that workforce needs affordable, stable housing so that our neighborhoods and our city can thrive.

Pledge, at a minimum, to develop 100,000 new units of affordable housing

The next mayor must continue the city's commitment to a substantial, comprehensive, multi-year housing plan to expand the supply of affordable housing and stimulate the local economy. This plan should be rooted in the recognition that New York City's neighborhoods need a stable supply of affordable housing in order to remain dynamic centers of commerce, culture and civic engagement where families can afford to live, work, invest and raise their children.

Build in all neighborhoods across all community boards to ensure that all parts of the city have affordable housing opportunities

All New York City communities need affordable housing for their residents. The next administration will have the opportunity to shift from relying primarily on city-owned vacant land to a more diverse array of sources and pipelines for affordable housing development. These include city-owned vacant land controlled by various departments and agencies including but not limited to the Department of Housing Preservation and Development (HPD); overleveraged housing stock with unsustainable amounts of debt that can be refinanced as stable affordable housing; unused NYCHA land; privately owned vacant-land and residential developments leveraged through rezonings as discussed below.





2. Build Housing to Meet the Real Affordability Needs of Residents to Maximize the City's Value of the Public Investment.

Recent city investments in affordable housing have been impressive, but our city can do better. Indeed, given Mayor Bloomberg's focus on the efficiency of the marketplace, it is unfortunate that the city has not demanded the greatest return on its investment. Current programs have created diversity of unit sizes that closely match the city's demographics. However, a large percentage of the housing built with some form of public subsidy do not produce housing that is truly affordable to the community in which it is built. And, most current programs only require temporary instead of permanent affordability. These poor policy choices greatly diminish the impact of the investment for the community and the value to the taxpayer. Given the enormous value that the city trades in return for affordability - public land, below-market rate financing, and capital subsidies - New York City must build smarter by demanding the greatest public benefit from its investment of public resources by creating a more efficient, neighborhood-appropriate focus for housing production.

Require the majority of publicly-subsidized units developed in each neighborhood be affordable to neighborhood residents - those making the local median income or below

The volume of affordable housing units under Mayor Bloomberg is impressive but many of these units do not address the needs of the city's working families. Current city housing policy makes no distinction between the value and success of a unit targeting a family of four earning \$24,900 as a unit targeting a family of four earning \$136,950. As a result, much of the New Housing Marketplace is priced for the wealthier half of New Yorkers.

Perhaps the most striking shortcoming of current city affordable housing development is in the wide-spread insufficient depth of affordability of the housing built, requiring a family income that exceeds the median income of the majority of local neighborhood residents. As a result, two-thirds of our affordable housing is unaffordable to most neighborhood residents, and over a third of the publicly-subsidized housing units built between FY2009-FY2011 was priced for upper-income New Yorkers.

The city will not address its affordable housing crisis if the city continues to prioritize subsidized housing that is too expensive for most New Yorkers. The next administration must address the disparity between the inflated income levels that the city uses to construct deals, and the actual incomes of New York City residents, especially in the communities where this housing is being built. Moving forward, the next mayor has an opportunity to recommit to housing actually being affordable for local residents by setting affordability targets that can match the income realities of neighborhoods and stabilize communities.



Build unit sizes that reflect the city’s demographic makeup – including revising subsidy levels to reflect varying affordability needs among different size households and also more appropriately reflect the cost of building different size units

New York City is changing – growing older, more diverse, and increasingly becoming home to non-family households. The size and type of units built need to reflect the demographics of the city. Currently, the overall unit size distribution follows a fairly even normal curve, which largely mirrors New York household sizes.

The next administration must ensure that unit sizes continue to reflect the demographics of the neighborhoods where affordable housing is being built. This requires adjusting subsidy levels of the different size apartments to adequately address the economic realities of the various household sizes and revising how housing subsidies are allocated in order to ensure a range of unit sizes are developed. Going forward the city must take into account that different size households have different affordability needs and different unit sizes require different subsidy levels.

Commit to only build housing that is permanently affordable so the value of the public investment is maximized by creating a new tax abatement authority that would tie extended affordability with tax incentives

The city has taken important steps in the past few years to safeguard the public investment in affordable housing by requiring longer term affordability. But there is still a need for a crucial step forward to truly modernize our city’s affordable housing production policy. The city must fundamentally shift its philosophy toward the production of permanently affordable housing when public land, subsidy or other incentives are used to more effectively leverage taxpayer dollars and to protect the economic diversity of the city.

There is general consensus among advocates, affordable housing developers, and city housing officials that tax abatements are the most promising, cost-effective incentive at our disposal in preserving affordability over the very long term. New York City should work with the State Legislature to create a new tax abatement authority that would tie extended affordability with tax incentives. Unfortunately, previous administrations—despite historic levels of investment—did not meet this challenge. Indeed, of the 124,510 units created and preserved in the first eight years of the New Housing Marketplace, only 4,536 units (3.6%) are not at-risk of losing their affordability. Given that much of all affordable housing being built under previous administrations as well as state- and federally-subsidized housing will be at-risk of going to market rents at the same time as demand grows, the new mayor must develop incentives and regulations to fully protect our investment in affordable housing.





3. Maximize the Community Impact by Prioritizing Not-For-Profit Developers and a Comprehensive Community-Based Development Approach that Reinvests in Neighborhoods.

Affordable housing is a key part of a healthy neighborhood, but a successful building is often more than just housing units. Neighborhoods are in need of services, amenities, spaces, partnerships and infrastructures that go beyond housing units. The city has moved away from this comprehensive community development approach. Yet it was this type of comprehensive community asset approach that turned around our neighborhoods and reinvigorated communities.

Commit to community-based not-for-profits as senior partners on at least 50 percent of units developed in order to ensure that neighborhoods and taxpayers get the greatest benefit of their affordable housing investment.

New York City's community development sector should be the developer of choice because not-for-profit CDCs bring services that help stabilize the neighborhood and build civic infrastructure at the same time as they build housing that is most likely to be deeply and permanently affordable, and tuned to neighborhood needs. With more than 100 community-based, affordable housing groups with over three decades of experience developing and preserving tens of thousands of units of safe, decent, affordable housing, the CDC sector can work with government and the private sector to meet the challenge – if the new administration provides the necessary leadership.

CDCs do not need incentives to build affordable housing. They are driven to produce and maintain affordable housing because it aligns with their mission—not for the promise of lucrative fees or residuals that drive up the cost to produce affordable housing. Because of their role in maintaining permanent affordability, maximizing subsidies to deepen affordability, bringing in political and resident support for difficult projects, building stronger communities, responding to the real housing needs of the particular neighborhood, and providing social services that support tenants, the city should rely heavily on community-based not-for-profits to produce and preserve housing.



Approach housing development comprehensively by crediting and/or funding projects that address other locally established needs while providing affordable housing

The Bloomberg administration did not require, nor did it incentivize, non-housing units in development projects. The dwelling units created through affordable housing are critical. However, these developments can and should contribute more to the community beyond affordable, safe, comfortable places to live.

The next mayor must support developments that use comprehensive community development. This includes developments that incorporate services and amenities that strengthen local community residents such as clinics, childcare, workforce training facilities, or open public spaces. Projects should reinvest in other community programs, initiatives and developments to meet the broader needs of the neighborhood. And wherever possible the development of affordable should create high quality, long-term local jobs, and/or create space and opportunities for local businesses.

Bring common-sense transparency to the city’s process for selecting developers by adopting a policy of making complete developer submissions publicly available

The Department of Housing Preservation and Development (HPD) and Housing Development Corporation (HDC) are charged with being public stewards for many municipal assets – in the form of land, tax abatements and taxpayer subsidy – and awarding these assets with the goal of maximizing public benefit at the lowest cost to the taxpayers. As public assets, the terms and conditions of these awards should be easily and freely available, both as a matter of good public policy and in order to provide and incentivize effective oversight of these programs. HPD and HDC must adopt a policy of making publicly available the complete submissions of all awardees for any project involving the disposition of city-owned land or award of city subsidy.





4. Establish Mandatory Affordability through Inclusionary Zoning to Generate Affordable Housing from All Residential Rezoning.

The Bloomberg administration has aggressively pushed to reshape numerous neighborhoods through changes to zoning codes, rezoning over 10,000 city blocks. These zoning changes alter the type and density of developments allowed in neighborhoods. However, instead of relieving neighborhood's housing shortage, many developments have fueled an upward spiral in the cost of local real estate. Developments are displacing current residents as they are priced out of the neighborhood.

Require that all residential rezonings set aside a mandatory share of total units developed as affordable housing reserved for low-income residents

The voluntary inclusionary zoning policy implemented by the Bloomberg Administration was progress towards integrating affordability in future city development. But it is estimated that of the thousands of new market-rate housing units built as a direct result of major up-zonings, only 8% of those units will be affordable housing. The city can and should continue to improve on these efforts. Without requirements that developers include affordable housing, the city housing market has continued to squeeze out affordable housing and local residents are being priced out of their communities.

In order to ensure future affordable housing opportunities for residents, the city should adopt a Mandatory Affordability policy. This mandatory (and cost-efficient) inclusionary zoning policy would require that rezoned developments generate at least 20% of their units as affordable housing without accessing additional city construction subsidies (off-budget). In doing so, the next mayor will build on the current Inclusionary Housing Program (IHP) and take the next step to ensure that all future city developments – private or subsidized – generate new affordable housing opportunities for generations to come.

Emphasize community input in all future rezonings to ensure they are integrated into neighborhoods

The city is currently undergoing a wave of rezonings. The city must invite and be responsive to community input for all rezonings and large-scale developments. This requires working more closely with Community Boards and neighborhood organizations to ensure development plans are more closely in alignment with local priorities and needs.





5. Protect Our Existing Affordable Housing Stock to Ensure Not Another Unit of Affordable Housing is Lost.

At a time when affordable housing is increasingly difficult to find, thousands of units of affordable housing are at-risk due to expiring affordability, market pressure, over-leveraging, physical distress, and code and zoning regulations that do not make reasonable accommodations for informal apartments built in single-family homes. The next mayor must ensure we do not continue to let affordable housing built with city, state, or federal subsidy slip away, or let inflexible zoning and codes undermine informal neighborhood housing assets. The city must see itself as a steward of its affordable housing resources and adopt a principle that it will use all of the incentives and regulations at its disposal to protect these developments.

Develop a comprehensive plan to preserve federally subsidized housing developed through Mitchell-Lama, Project-based Section 8, and Low Income Housing Tax Credit programs

Between 2011 and 2015, over 55,000 additional units of non-city subsidized housing may be lost due to either expiring affordability restrictions or because of physical distress. While the city has been somewhat successful at encouraging owners to renew their participation in the affordable programs with rehabilitation loans and below market financing, a comprehensive strategy has yet to be developed which has enabled the exit of thousands of Mitchell-Lama and Section 8 units. Such a strategy should include clear, consistent principles rooted in tenant involvement and permanent affordability.

Protect the loss of affordable housing in the overleveraged “predatory equity” housing stock

The predatory equity model has decimated our city’s affordable housing stock. Over the past five years, predatory equity investors have purchased an estimated 100,000 units of affordable housing and taken thousands of apartments out of their affordability programs or rent regulation, displacing the low and moderate income tenants, and replacing them with higher income tenants. This is happening in neighborhoods throughout the city. These landlords and financiers are jeopardizing the economic diversity and long-term stability of our neighborhoods, and undermining our best efforts to slow the loss of affordable housing. Some strategies for how the next mayor could help put an end to the predatory equity model include: pressuring regulatory agencies at the city (HPD), state (HCR) and federal (HUD) levels to “vet” sales for financial stability, working to repeal vacancy decontrol, urging institutional investors to “opt-out” of predatory equity deals, and supporting community groups and tenants who are organizing to resist displacement pressures brought by private equity backed owners.



Commit to ensuring the permanent affordability of city-subsided affordable housing

ANHD's recent report, *A Permanent Problem Requires a Permanent Solution*, revealed that 294,402 units of affordable housing were created or preserved with city subsidy between 1987 and 2007. While this is a tremendous accomplishment, 169,561 of these units may be at-risk of losing their affordability between 2017 and 2037 due to either expiring affordability restrictions or physical deterioration. This potential loss of tens of thousands of units greatly undermines the impact of what the Bloomberg administration has done to create and preserve affordable housing. Given the tremendous time, resources, and tools needed to preserve these units, it is imperative that the next mayor develop a comprehensive strategy that responds to the range of threats from Year 15 re-positioning for tax credit projects to at-risk HDFCs. Equally important, the city must embrace a new model of subsidized housing development to ensure we do not recreate this problem with the affordable housing units currently being produced or preserved.

Expand the supply of affordable housing by legalizing some of the informally-converted apartments in single-family homes

By some estimates there are more than 100,000 illegal "accessory dwelling units" that have been informally created in single family homes across the city. Some of these informal units are a hazard and unwelcome in the neighborhood. Some are a useful and productive accommodation by communities to an impossibly tight housing market. There is good reason to believe that bringing some of these units into the scope of regulation would benefit tenants, owners, communities, and the city through an enhancement to safety conditions, an improved ability to plan for an allocate resources, an increase in tax revenues, and greater financial security for both tenants and owners. The city should select a priority community where illegal units are most common and in greatest need, and implement a pilot program to convert some accessory dwelling units into legal apartments.





6. Ensure New Homeownership Opportunities for Qualified Buyers and Protect Existing Homeowners from Foreclosure.

While it is true that New York is a renters' city, about one-third of residents own their home. In many neighborhoods, small homes—many of which are now in foreclosure—dominate the landscape. New York City must employ every strategy to keep homeowners in their homes, push lenders to maintain foreclosed properties, and encourage the productive reuse of foreclosed homes as new affordable and energy efficient homeownership opportunities.

Expand opportunities for qualified, first-time homebuyers

The City of New York should continue to encourage homeownership as it remains an important way for households to build assets and help neighborhoods stabilize and prosper. One of the biggest predictors of stable homeownership is the completion of pre-purchase counseling. The mayor should work with all levels of government to ensure public resources are available for these vital services. In addition, the next mayor should ensure there is public and private funding available for closing costs and down payment assistance grants for low- and moderate-income home homebuyers and that banks doing business with the city provide responsible and affordable home purchase, refinance and home repair loans in low/moderate income communities.

Minimize impact of foreclosed homes on neighborhoods

The new mayor must fund foreclosure counseling to keep people in their homes. Second, the city must ensure rigorous code enforcement and other legal measures so banks that have taken homes through foreclosure maintain the property and keep the neighborhood decent and safe. Third, the mayor—through the City's Banking Commission—must hold banks accountable for granting permanent modifications. Fourth, the city must coordinate city services in a strategic effort to reduce the impact of foreclosed homes on the community, including the departments of Sanitation, Finance, Environmental Protection and Housing Preservation and Development. Finally, the next mayor should seek to minimize the number of new foreclosures by pushing the federal government to expand and extend HAMP.





7. Protect Tenants to Stabilize Communities and Ensure Decent, Safe Housing.

New York is a city of renters, and at the core of our affordable housing are the 1,025,000 rent-regulated units. The great majority of these units were built by the private market, and our local system of rent regulation and code enforcement is absolutely critical to ensure that these irreplaceable units remain the affordable, decent, stable core of our neighborhoods. The next mayor must do more to strengthen and safeguard this housing including expanding its partnership with community-based organizations that are best positioned to advocate on behalf of tenants.

Expand funding for neighborhood stabilization, community organizing and code enforcement programs

Around issues of housing quality – where current enforcement procedures have not responded adequately to vulnerable neighborhoods’ problems with heat, plumbing, rodents, and other safety issues – the city should expand the Neighborhood Preservation Consultants program and Community Consultant Program, which fund many nonprofits’ work with landlords and tenants. To make this program more effective, it should be significantly revised to allow groups greater flexibility to challenge the city’s worst landlords and problems.

Create a Repair Enforcement Board to bring a more effective “administrative enforcement” model to enforce the health and safety of our rental housing stock

The enforcement system that New York City uses to ensure housing is maintained in decent, safe condition is a crucial part of addressing our housing crisis. An effective code enforcement system protects the rights and health of our city’s tenants. It is also highly cost effective. Any housing that is lost because it is poorly maintained, especially affordable housing, is very expensive to replace. Unfortunately, the legal structure of the current “judicial model” code enforcement system is inadequate and undermines the city’s code enforcement efforts. There are 36 health and quality of life codes on the books in our city. Thirty-five of those codes are enforced by an “administrative model.” Only one – the Housing Maintenance Code – is enforced by a “judicial model,” and consequently the city code enforcement system stands out for its inefficiency.

We can fix the broken system through the creation of an “administrative enforcement” model known as the Repair Enforcement Board, which would more efficiently connect the documentation of violations with meaningful, enforceable penalties.



Commit to Appointing Representatives to the Rent Guidelines Board that Represent the Interests of the Greatest Number of New Yorkers

The next mayor can take immediate action to protect affordable housing and tenants by appointing public members of the Rent Guidelines Board that accurately reflect the interest of the city's renters.

Commit to advocating for the repeal of Vacancy Decontrol and the Urstadt Law in order to defend rent and tenant protections

Most low- and moderate-income households in New York live in privately owned rental housing. One provision, Vacancy Decontrol, has been responsible for both eroding affordability in this private rental housing and fueling speculative acquisition of regulated housing by private equity-backed investors. From the period of 1994-2010, a total of 110,295 units were deregulated due to Vacancy Decontrol. In 2010 alone, almost 13,000 units went to market because of this destructive provision. Mayor Bloomberg has done nothing to support the efforts of the City Council, tenants, and advocates to end Vacancy Decontrol. This inaction has cost thousands of working class tenants their homes and undermined an important affordable housing resource for future generations. To address skyrocketing rents and mitigate displacement in this stock, the next mayor should fight for the repeal of Vacancy Decontrol.

The city also should take an active role in preserving rent regulations that limit annual rent increases and protect tenants, by advocating at the State level to repeal the Urstadt law and restore home rule to the city.

Aggressive advocacy from the city around Federal and State housing programs and policies

The Federal and state governments play a critical role in shaping the city's housing landscape. Many housing program areas are substantially funded through Federal grants; this is especially true for code enforcement and neighborhood-based preservation programs, which are almost entirely funded by the Community Development Block Grant (CDBG). Starting in the mid-1990s, Section 8 cuts have substantially transformed the landscape for housing assistance, and annual program changes and formula shifts threaten New York's allocation of that resource. The mayor needs to work aggressively to protect and lay the groundwork for expansions of Section 8, CDBG, HOME, and CSBG funds, as critical resources for the work of the city and of community organizations.



8. Hold Banks Accountable to Meet the Credit Needs of Our Neighborhoods by Supporting and Enforcing the City.

Banking Commission and the Responsible Banking Act

In New York City, banks have rebounded quickly from the Great Recession and many have posted historic profits. However, low- and moderate-income residents and communities here and across the country have yet to benefit from this recovery and continue to struggle as those same banks restrict credit, refuse to modify mortgage loans, and slash investments and other financial services. According to ANHD's State of Bank Reinvestment in NYC: 2012 report, between 2009 and 2010, reinvestment activity finally increased after two years of steady declines, but not uniformly across all banks, and not nearly at the level necessary to truly help meet the credit needs of low-income and working class New Yorkers. The 23 major New York City banks held over \$590 billion in deposits yet reinvested just 1.35% of that back into the city's low- and moderate-income communities.

Commit to supporting and enforcing the City Banking Commission and the Responsible Banking Act

The Responsible Banking Act, recently introduced in the New York City Council, will create a new model of local oversight. The Act uses a mechanism for certifying banks to be eligible to hold city government deposits in order to actively involve the community and local government to set higher standards and stronger regulation. In order for the Act to be a robust tool, the mayor must ensure the Department of Finance and City Banking Commission have adequate financial and human resources to gather, analyze and present data related to banks' lending, investment and services, as well as establish a classification system that fairly and accurately ranks banks based on their performance in helping to meet the credit needs of New York City residents, small business owners, and community development practitioners. The mayor should also push for legislative changes in Albany to ensure community banks and credit unions are eligible to receive city deposits.

Leverage city deposits and participation in New York State's Bank Development Districts (BDD) program to open branches in under-banked communities

The state BDD program has been successful at incentivizing retail banks to open new branches in underserved communities by offering state and city deposits. Tens of neighborhoods, however, still do not have access to a branch. The next administration should be more aggressive in its efforts to leverage public resources to bring banking services to under-banked communities.



9. Strengthen New York City Housing Authority and Increase Job Opportunities for Residents.

The apartments operated by the New York City Housing Authority are among the great affordable housing resources of our city, with over 178,000 apartments located in 334 developments scattered across the city, that provide housing for over 400,000 New Yorkers. NYCHA housing is truly the most dependable affordable housing we have for the people who need it most. While 5% of New Yorkers live in NYCHA housing, they include 14% of our city's poor. Unfortunately, NYCHA housing is underappreciated and underfunded. In spite of its challenges, NYCHA housing is successful and in great demand with a tenant waiting list that is many years long. The next mayor should strengthen public housing so it can improve the key services it provides to the New Yorkers who need it most.

Increase the fairness of NYCHA's underfunded budget by discontinuing the substantial payments NYCHA pays the city for policing and sanitation services.

No other landlord in the city is forced to pay for its own security and sanitation. In an era of federal cutbacks, these are payments NYCHA can no longer afford if it is to maintain its mission of providing deeply affordable housing.

Improve policies for tenants

NYCHA should revisit and find a better balance in some tenant policies. The current "under-occupancy" policy often unreasonably moves older adults out of their neighborhoods at the time when they most need community support. NYCHA should reform this policy to ensure that older adults have more flexibility in their choices and an increased opportunity to remain in their community. NYCHA should also reexamine their succession rights policy to ensure that the rights of legitimate family members are preserved, and review and revise the trespass policy to appropriately balance between safety and the rights of the entire tenant community.

Better leverage NYCHA's vacant land resources

NYCHA is increasingly looking to develop vacant or "under-utilized" NYCHA land as a potential income-generating source for the Housing Authority. However, NYCHA must carefully balance its fiscal concerns with its core mission and community concerns. NYCHA must commit to a transparent process, with clear information provided to tenants, and tenant representation a part of the decision-making process. Any development must only ground-lease the developable land in order to maintain some public control instead of selling outright, prioritize the improvement of living conditions for existing tenants, and assess the best possible solution for providing affordable housing within the NYCHA development and possible impacts on the affordability of the broader neighborhood. Additionally, NYCHA must extend one of the core tenants of public housing—permanent affordability—to all proposed developments. Finally, when NYCHA land is slated for development, the agency should partner with local not-for-profits as co-developers to best achieve these goals.

Expand job and training opportunities for residents

Increasing economic opportunities for residents should be a policy goal of the next mayor and fulfilling all of the federal "Section 3" job training mandates is a key way to do it. NYCHA should consistently and thoroughly comply with Section 3 requirements by using federal dollars to create job and training opportunities for residents. NYCHA should also implement "first source" hiring policies and expand partnerships with other city agencies such as the Department of Small Business Services to extend targeted workforce development programs.

