

# ✔ Right to a Roof 🏠

# Table of Contents

<b>Executive Summary</b>	<b>03</b>
<b>Introduction</b>	<b>05</b>
<b>Priority 1</b> Create an Integrated Housing Plan	<b>10</b>
<b>Priority 2</b> Prioritize Need Over Numbers	<b>14</b>
<b>Priority 3</b> Improve Access to Affordable and Supportive Housing	<b>19</b>
<b>Priority 4</b> End Real Estate Speculation by Supporting Community Ownership	<b>23</b>
<b>Priority 5</b> Ensure All New Yorkers Have Safe and Healthy Housing	<b>29</b>
<b>Priority 6</b> Support Planning that Centers Local Knowledge Within a True Citywide Framework	<b>34</b>
<b>Addendum: Priorities for NY State</b>	<b>37</b>
<b>Acknowledgments</b>	<b>39</b>

# Executive Summary

As New York City begins to envision its recovery from the COVID-19 pandemic and the movement for racial justice captures our national attention, the need for safe, healthy, and affordable housing for all New Yorkers has never been more dire. Yet over the last seven years, Mayor de Blasio's siloed approach to housing planning, with separate and unequal treatment of private housing, public housing, and homelessness, has failed to reduce racial and economic disparities and serve the needs of the lowest-income New Yorkers.

This year, we will elect new local leadership. The challenges of this moment require bold leaders who will shake up the systems that have failed us and implement creative programs and priorities that acknowledge housing as a human right. This document provides guidance on how the next administration can ensure the right to a roof for all by rejecting austerity, ending homelessness, promoting racial equity, and prioritizing housing opportunities for those who need them most.

## The recommendations in the report fall into six priority areas:

- 1 Create an Integrated Housing Plan to End Homelessness and Promote Racial Equity**

The next administration must create and implement an Integrated Housing Plan that brings together all the agencies involved in housing, building, and planning to create one coordinated strategy focused on ending homelessness and promoting racial equity. In order to accomplish this, they must create a new position of Deputy Mayor for Homelessness, Housing and Planning, and shift responsibility for oversight of and coordination between all relevant agencies, as well as creation of the plan, to this new Deputy Mayor.
- 2 Prioritize Need Over Numbers**

The Integrated Housing Plan must focus on providing permanent, deeply affordable housing for those who need it most and preserving public housing without privatization.
- 3 Improve Access to Affordable and Supportive Housing**

The north star of the Integrated Housing Plan must be ending homelessness. It must prioritize an interagency approach that streamlines the process for finding and securing affordable and supportive housing options, as well as promoting fair housing.
- 4 End Real Estate Speculation by Supporting Community Ownership**

The Integrated Housing Plan must stabilize neighborhoods by creating and preserving 100% permanent, affordable housing that is community built and community owned, and working to keep existing residents in their homes.
- 5 Ensure All New Yorkers Have Safe and Healthy Housing**

The Integrated Housing Plan must ensure that no one is permanently displaced due to poor housing conditions or harassment, secure our communities by ensuring the long-term viability of the city's affordable housing stock, and guarantee that every New Yorker has a safe, healthy, and stable home.
- 6 Support Planning that Centers Local Knowledge Within a True Citywide Framework**

Planning must be a key part of the Integrated Housing Plan to ensure that residents' voices are meaningfully incorporated, and to create an equitable approach that centers fair housing and neighborhood priorities so that no single community can stand in the way of critical citywide needs, such as affordable housing development and homeless housing.

# This report is a joint effort between:





New York City needs leaders who will work in partnership with communities to confront challenges head on, oppose austerity, and center the voices and priorities of low-income New Yorkers of color.

# Introduction

As New York City begins to envision its recovery from the COVID-19 pandemic and the movement for racial justice captures our national attention, the need for safe, healthy, and affordable housing for all New Yorkers has never been more dire.

This year, we will elect new local leadership. The challenges of this moment require bold leaders who will shake up the systems that have failed us and implement creative programs and priorities that acknowledge housing as a human right. This document provides guidance on how the next administration can ensure the right to a roof for all by rejecting austerity, ending homelessness, promoting racial equity, and prioritizing housing opportunities for those who need them most.

This report is a follow-up to *Assessing De Blasio's Housing Legacy: Why Hasn't the "Most Ambitious Affordable Housing Program" Produced a More Affordable City?* by Samuel Stein for the Community Service Society, in collaboration with many of the groups in this coalition, which details the shortcomings in our City's housing policies over the last seven years. In summary, despite some important steps toward creating and preserving affordability, such as establishing the right to counsel for tenants in housing court, creating and expanding rental assistance programs, and mandating a set-aside of units for formerly homeless New Yorkers in City-subsidized housing, Mayor de Blasio's approach to housing has failed to reduce racial and economic disparities and serve the needs of the lowest-income New Yorkers. Under Mayor de Blasio, the City has:

- Prioritized numbers-driven deal-making over long-term, needs-based housing solutions.
- Utilized a siloed approach to housing planning that has resulted in separate and unequal treatment of private housing, public housing, and homelessness.
- Created new "affordable" housing that is not affordable enough for those who need it most.
- Concentrated these affordable housing initiatives in low-income communities of color.
- Relied on Mandatory Inclusionary Housing (MIH), which has not provided adequately for the city's affordability needs, and has encouraged market-rate development in low-income neighborhoods.
- Favored for-profit developers over mission-driven non-profits, even for developments on public land, where the City had control of the outcome.
- Failed to adequately address the homelessness crisis - an estimated 79,000 people now live in shelters or on the streets<sup>1</sup>, with homelessness among single adults on the rise. Resources homeless New Yorkers rely on to escape the shelters and streets remain insufficient and broken.

<sup>1</sup> Stewart, Nikita; Jeffrey C. Mays; and Matthew Haag. "Facing Homeless Crisis, New York Aims for 1,000 Apartments a Year." *New York Times*, December 12, 2019.

- Failed to keep new investments in public housing on pace with accelerating deterioration in resident living conditions. Needed reforms in property management have not been implemented, necessitating the appointment of a federal monitor.
- Neglected to meaningfully involve residents in decision making about what happens in their neighborhoods.
- Failed to work collaboratively with New York State to address deeply embedded economic divides prior to COVID-19 and to help City residents recover more quickly from the economic crisis brought on by the pandemic.<sup>2</sup>

This report is a joint effort between the Association for Neighborhood & Housing Development (ANHD); the Center for New York City Neighborhoods (CNYCN); Community Service Society (CSS); Community Voices Heard (CVH); MHANY Management, Inc., a mutual housing association; Make the Road New York (MRNY); New York Communities for Change (NYCC); RiseBoro Community Partnership; and VOCAL-NY.

These groups consist of: advocates that together represent tens of thousands of primarily low-income New Yorkers living across the five boroughs in public and private housing; mission-driven, non-profit affordable housing developers who have together built, preserved, and managed thousands of units of affordable housing; and service providers who help New Yorkers access critical resources. We work everyday to secure racial and economic justice for all New Yorkers. We and our members have organized communities facing displacement pressure in the face of City-driven neighborhood plans, built power with people experiencing homelessness and in public housing communities, and provided counseling to help thousands of New Yorkers stay in their homes.

As noted, we believe that the current moment requires bold leadership. Here, we present our priorities for the next Mayoral administration, citywide and boroughwide elected officials, and City Council. Some are programmatic and administrative changes that can happen immediately with a shift in priorities. Others require legislation and/or partnership and collaboration to develop implementation and funding strategies that work.

**New York City needs leaders who will work in partnership with communities to confront challenges head on, oppose austerity, and center the voices and priorities of low-income New Yorkers of color.**

---

<sup>2</sup> Read more: Stein, Samuel. "Assessing De Blasio's Housing Legacy: Why Hasn't the 'Most Ambitious Affordable Housing Program' Produced a More Affordable City?" Community Service Society, January 2021.

 The next administration must create and implement an Integrated Housing Plan that brings together all the agencies involved in housing, building, and planning to create one coordinated strategy focused on ending homelessness and promoting racial equity.







Additionally, more than 360,000 NYCHA residents, whose average family income is \$25,602/year<sup>5</sup>, fear displacement as housing quality deteriorates, the agency privatizes units, and leadership fails to adequately include residents

in decision-making. And all of these problems disproportionately impact BIPOC and immigrant New Yorkers.

The economic fallout of the pandemic threatens to exacerbate these situations, and further increase racial disparities, with over 735,000 New York City households estimated to have lost employment income as of June 2020.<sup>6</sup> Applicable rent relief falls far short of the need, and is unavailable to many New Yorkers due to immigration status and other documentation requirements, and at risk of termination prior to economic recovery for others. The City and State have not guaranteed an extension of the eviction moratorium for the duration of the pandemic or an alternative to eviction once the moratorium is lifted for those at risk of losing their homes. Without intervention, the City faces an unprecedented economic crisis that falls decidedly along lines of racial and economic disparity.

In the summer of 2020, the movement for racial justice reached new heights in New York City and

<sup>5</sup> New York City Housing Authority. "NYCHA 2020 Fact Sheet." Released March 2020.

<sup>6</sup> Brenner, Ryan. "Data Update: Eviction Filings in NYC Since COVID-19." The Stoop: NYU Furman Center Blog, September 29, 2020.



nationwide. The pandemic shined a spotlight on the structural racism that has literally shaped our city and impacts every aspect of daily life for New Yorkers of color, from housing, to transportation, to education, unemployment, and wages. Public housing residents are predominately Black and Latinx, as are those in the NYC shelter system, and those in low-rent private housing. The City's recently released *Where We Live* fair housing plan shows clearly that the legacy of housing segregation persists and that discrimination continues to place constraints on housing options for New Yorkers of color.<sup>7</sup>

The main priority for our elected leaders must be addressing these issues by dismantling their systemic underlying causes and replacing them with more just policies. The next administration must create and implement an **Integrated Housing Plan that brings together all the agencies involved in housing, building, and planning to create one coordinated strategy focused on ending homelessness and promoting racial equity**. In order to accomplish this, they must **create a position of Deputy Mayor for Homelessness, Housing and Planning**, and shift responsibility for oversight of and coordination between all relevant agencies, as well as creation of the plan, to this new Deputy Mayor.

The Mayor must identify this Deputy Mayor not based on their relationships with private developers and their "deal making" skills, but rather on their ability to think holistically about the causes and effects of racial, economic, and social inequity, as well as their ability to bring the most creative thinkers and doers together to implement collaborative and coordinated strategies for change.

The Integrated Housing Plan plan and its goals must be **based on data** measuring need and disparity; include **shared metrics that require**

**coordination across agencies; and propose solutions based on measurable goals for creating and preserving true affordability, preventing displacement, and providing decent, safe, and affordable permanent housing** for those who are in the shelter system and/or experiencing street homelessness. The plan, with oversight from the new Deputy Mayor, will ensure that all relevant agencies are working together efficiently and coordinating directly on implementation.

There are many ways these shared metrics could work across agencies. As a start, all current programs must be evaluated not on their individual merits, but on how they work to achieve broader goals in conjunction with other programs. For example, the City should create measurable preservation goals for public housing, along with its preservation and development goals for private housing, and coordinate more efficiently across NYCHA, HPD, and other relevant agencies to ensure equitable allocation of financing resources. DHS, NYCHA, and HPD must all have shared metrics for providing housing for the homeless. DCP must in turn ensure that planning decisions further these goals, and DOB must prioritize approvals for related construction projects. The Integrated Housing Plan must expand the most successful programs and maximize positive steps toward solutions to our current crisis.

All of the following priorities in this report should be key components of the Integrated Housing Plan. Our goal is to provide the framework and building blocks for the next group of elected City leaders, including and spearheaded by the Mayor, to make the necessary changes to create a city that ensures the right to a roof for all.

<sup>7</sup> City of New York. "Where We Live NYC." Released October 2020.

 The Integrated Housing Plan must focus on providing permanent, deeply affordable housing for those who need it most and preserving public housing without privatization.



# Priority 2

## Prioritize Need Over Numbers

The de Blasio administration's *Housing New York* plan has prioritized numbers-driven deal making over long-term, needs-based solutions in its affordable housing construction and preservation agenda. The Mayor set an ambitious goal of creating and preserving 300,000 units of affordable housing by 2026. Yet the push to meet this target meant the units built did not meet the needs of New Yorkers with the least income, least choice, limited resources, and limited access. An analysis from the office of the City Council Speaker last year showed that *Housing New York* has not come close to meeting the city's need for housing for severely rent-burdened, extremely low- and very low-income New Yorkers - those most at risk of becoming homeless - while at the same time overproducing income-restricted units for moderate- and middle-income New Yorkers.<sup>8</sup> Meanwhile, as the city grappled with record homelessness, only about 7.5% of the housing starts (both preservation and new construction) between FY 2018-2020 were set aside for the formerly homeless.<sup>9</sup>

Additionally, recent data shows that the city's Mandatory Inclusionary Housing (MIH) policy adopted during the de Blasio administration is not working for those with the most need. 89% of apartments approved through project-specific MIH rezonings, including 75% of the "affordable" units in those developments, are unaffordable to the average resident in the neighborhood where they are located without additional subsidies, and most Black, Latinx, and Asian New Yorkers cannot afford the majority of units created through

MIH.<sup>10</sup> Specifically, the options offered under MIH allow a developer to select a percentage of units at 40%, 60%, and 80% of Area Median Income (AMI), leaving no options for those making less than 40% AMI (\$40,960 for a family of three). Similarly, the lowest income that City-subsidized affordable housing can provide for is 30% AMI (\$23,880 for a family of three). Especially because new "affordable housing" tends to be located in low-income communities, thousands of residents who watch brand new buildings go up in their neighborhoods do not qualify by income for those apartments.



In fact, these new "affordable" units, created both through MIH and with City subsidies, have done little to address the city's history of housing segregation. According to *Where We Live*, the

<sup>8</sup> Johnson, Corey. "Our Homelessness Crisis: The Case for Change." Office of the Speaker of the New York City Council, January 30, 2020.

<sup>9</sup> NYC Mayor's Office of Operations. "Mayor's Management Report 2020: Housing New York."

<sup>10</sup> Stein, 2021

largest numbers of new affordable housing units have been located primarily in low-income communities of color, including the South Bronx, East Harlem, and East New York, while primarily white areas such as most of Staten Island, southern Brooklyn, and many parts of Manhattan below 96th Street have seen few-to-no new affordable units built.<sup>11</sup>

Simultaneously, the administration has struggled with deep budget deficits in its public housing—now estimated at \$40 billion—and has proposed a number of solutions to raise revenue for repairs: first NextGen NYCHA, which advanced private infill development on NYCHA land; then PACT/RAD, which aims to place 62,000 public housing units—roughly a third of the NYCHA stock—into a program in which private developers enter into

long-term leases with NYCHA, take over as building management, and renovate buildings using privately-leveraged financing; and, most recently, the proposed *Blueprint for Change*, which would transfer ownership of the remaining two-thirds of NYCHA's public housing stock to a publicly-chartered Preservation Trust, using federal funds and private bonds to rehabilitate the distressed housing.<sup>12</sup> Meanwhile, resident trust in NYCHA leadership has been eroded such that any plan that does not include significant resident engagement and empowerment in decision-making faces a tough road ahead.

**The Integrated Housing Plan must focus on providing permanent, deeply affordable housing for those who need it most and preserving public housing without privatization.**

11 City of New York, 2020

12 New York City Housing Authority. "A Blueprint for Change." July 2020.



# Strategies

## Priority 2: Prioritize Need Over Numbers

-  **Provide more and deeper affordability citywide.** As discussed, MIH and HPD term sheets are not providing for the neediest New Yorkers. And much of the housing built in the city is “as of right” and provides no affordability whatsoever. Though this has long been the norm, it need not continue. The City must develop new and innovative strategies to meet New Yorkers’ affordability needs citywide through new zoning tools or other regulatory framework(s). It must also update its term sheets and programs to provide for much deeper affordability than currently required, and identify ways to apply these programs in affluent neighborhoods.
  
-  **Invest in subsidies over tax breaks.** Creating more housing for the lowest-income New Yorkers requires some combination of: an expansion of incomes that current housing subsidies will serve to include individuals and families on fixed incomes or making less than 30% AMI, expansion of vouchers such as Federal Section 8, or a new source of ongoing support through operating subsidies that will allow more tenants to pay lower rents without compromising building operations and maintenance.<sup>13</sup> The City must **create an ongoing rental assistance program for tenants** that also functions as an operating subsidy for building owners. The City should explore financing such a program by working with the State to **end tax breaks for developers**, such as the 421-a tax exemption, and using the collected tax revenues from luxury development projects to provide ongoing income subsidies based on need. 421-a creates housing for those making up to 130% AMI, exacerbating the issue that affordable housing created does not meet the needs on the ground, while costing New York State an estimated \$2.8 billion per year<sup>14</sup>. This is far more than the total amount of Federal Section 8 vouchers administered by NYCHA; in fact, if this amount were applied to a similar voucher program, it could house well over 100,000 of the city’s poorest families.<sup>15</sup>
  
-  **Prioritize affordable housing for project approvals.** Utilize interagency coordination to prioritize affordable housing in all necessary administrative approvals during development, particularly FDNY, ConEd, DOT, DEP, and DOB approvals for construction, connections, and project closeout.

13 Rankin, Nancy and Oksana Mironova. “Making the Rent Truly Affordable.” Community Service Society, November 2018.

14 Rosenberg, Zoe. “NYC’s 421-a tax incentive has cost the city billions.” Curbed New York, January 30, 2017.

15 Waters, Tom and Victor Bach. “New York’s Unaffordable Housing Program: Time to End 421-a.” Community Service Society, May 2015

- ✔ **Create more supportive housing**, especially for single adults who are homeless. Supportive housing pairs critical permanent housing with services for adults and families coming out of the shelter system. The City should:
  - prioritize supportive housing in new construction; and
  - acquire existing resources, such as distressed hotels and vacant properties, and convert them to permanent supportive housing.
  
- ✔ **Tie unit size mix to need.** HPD approves the mix of unit sizes in buildings utilizing its term sheets, but their guidelines are suggested, rather than required. HPD should implement a data-driven approach to ensure that housing lottery units are meeting the existing need for single adults and families to be housed appropriately.
  
- ✔ **Fully Fund NYCHA Without Privatization.**
  - **The City and State must allocate at least \$2 billion/year each** to fund NYCHA's capital repair needs. The City must additionally explore other financing opportunities to address the \$40 billion budget gap, such as: borrowing from the Federal Reserve, working with State partners to implement new sources of tax revenue, and/or working with federal partners to secure as much funding as possible.
  - **End privatization of public housing.** NYCHA must end policies that require disposition of NYCHA property to private developers. In the case that any temporary partnerships are necessary for implementing preservation strategies, NYCHA should require a preference for mission-driven, non-profit organizations.
  - **Ensure that public housing residents have veto power** over any proposed preservation strategy through a resident ballot (see Priority 6).





The north star of the Integrated Housing Plan must be ending homelessness. It must prioritize an interagency approach that streamlines the process for finding and securing affordable and supportive housing options, as well as promoting fair housing.



# Priority 3

## Improve Access to Affordable and Supportive Housing

Nowhere is the need for interagency coordination more apparent than in addressing the homelessness crisis. Homelessness has long been treated as an issue that can be managed by the Department of Social Services, rather than an issue that can be solved through housing. What has resulted is an inflated DSS budget for shelters and an HPD budget that dedicates little housing for the homeless. Accordingly, the need for affordable and supportive housing has dramatically outpaced availability. Between 2014-2018, HPD placed an average of only 478 households per year into its set-aside units.<sup>16</sup> Homelessness has continued to increase for single adults, surpassing over 20,000 in New York City shelters in October 202.<sup>17</sup> Meanwhile, over 170,000 households are on the NYCHA waitlist<sup>18</sup>, and since 2013, the City has received over 25 million applications for 40,000 income-restricted units through Housing Connect.<sup>19</sup>

The main path the City provides out of the shelter system is vouchers, but their value consistently falls short of the rents in available apartment.<sup>20</sup> Most voucher holders are either Black or Latinx, and the City itself reports that many voucher holders have experienced discrimination that prevented them from using their vouchers. *Where We Live* notes a number of circumstances where interagency coordination could be strengthened to combat housing discrimination, including in regard to enforcement of complaints, maintenance of housing quality, and streamlining of rental assistance programs.<sup>21</sup>

**The north star of the Integrated Housing Plan must be ending homelessness. It must prioritize an interagency approach that streamlines the process for finding and securing affordable and supportive housing options, as well as promoting fair housing.**

<sup>16</sup> Routhier, Giselle. "The Tale of Two Housing Markets." Coalition for the Homeless, August 2019.

<sup>17</sup> Coalition for the Homeless. "The Number of Single Adults in New York City Shelters Hits Record 20,210." December 9, 2020.

<sup>18</sup> New York City Housing Authority, 2020.

<sup>19</sup> Haag, Matthew. "25 Million Applications: The Scramble for N.Y.C Affordable Housing." New York Times, June 15, 2020.

<sup>20</sup> Routhier, Giselle and Beth Hofmeister. "Testimony of Coalition for the Homeless and Legal Aid Society on Streamlining Rental Assistance Programs: CityFHEPS and Pathway Home." Delivered to NYC Human Resources Administration, August 21, 2018.

<sup>21</sup> City of New York, 2020.



# Strategies

## Priority 3: Improve Access to Affordable and Supportive Housing

-  **Fully Fund the Commission on Human Rights to enforce discrimination violations and provide fair housing counseling.** Ensure coordination between CCHR, DSS (particularly the Source of Income Unit), and HPD to punish landlords who discriminate, including based on source-of-income.
-  **Provide education** to all housing specialists, case managers, and Housing Ambassadors, and to tenants receiving vouchers, about voucher holders' rights and how to make complaints.
-  **Increase CityFHEPS subsidy value to Fair Market Rent (FMR)** to provide more options for voucher holders. The City Council can do this right away by passing Intro 146-2018.
-  **Ensure that eligibility for CityFHEPS is not tied to stay in shelter** and that these vouchers have no time limit for renewal.
-  **Increase funding for programs that prevent evictions**, such as City Council's Anti-Eviction Legal Services initiative and HRA's emergency rental assistance and Homebase programs. Anyone who goes to housing court should have access to the anti-eviction services provided through Homebase.
-  **Streamline supportive housing screening, application, and placement** for homeless New Yorkers on the streets and in shelters, with an emphasis on low-barrier and Housing First standards. The process of applying for and obtaining supportive housing is too complex and burdensome on applicants, often leaving people who would be eligible for supportive housing in shelter or on the streets for years.<sup>22</sup>
-  **Create a rapid rehousing system to end homelessness.** Expand upon the model that reduced veteran street homelessness by 98% since 2011 through interagency coordination on increased rental assistance, expanded case management, and outreach to landlords.<sup>23</sup>
-  **Allow local emergency placements.** Housing Connect currently prohibits local, mission-driven property owners from rehousing displaced tenants in emergency situations (such as those displaced by fire or harassment) quickly and locally within their portfolios. The City should create an exemption to ensure these tenants can secure safe and affordable housing in their neighborhood.

<sup>22</sup> Routhier, Giselle. "State of the Homeless 2020." Coalition for the Homeless, March 2020.

<sup>23</sup> Dervishi, Kay. "NYC Got Homeless Vets off the Streets. Can it Replicate the Feat?" City and State, March 10, 2020.

- ✔ **Expand need-based priorities on the NYCHA wait list.** Make more units available to those experiencing homelessness, and create a preference for placement for those at risk of homelessness (including those in overcrowded or three-quarter housing, those who have recently experienced homelessness, and the formerly incarcerated).
- ✔ **Create a need-based priority for the Housing Connect lottery.** Prioritize those at risk of homelessness (including those in overcrowded or three-quarter housing, those who have recently experienced homelessness, and the formerly incarcerated) for HPD's lottery units and turnover units (separate from the existing set-asides for placements from the shelter system).
- ✔ **Streamline voucher applications and Housing Connect.** HPD and DHS should better coordinate options for those seeking affordable housing. Housing Connect should include information about accessing assistance for those who qualify. Conversely, those experiencing homelessness who have been awarded CityFHEPS should be automatically registered to use Housing Connect and entered in available housing lotteries.
- ✔ **Provide adequate funding for supportive services** in affordable housing, especially for senior housing and supportive housing for the formerly homeless.
- ✔ **Fund and train more Housing Ambassadors.** This program contracts with local, mission-driven organizations to help New Yorkers, including those in shelters, find and apply for affordable housing opportunities.



 The Integrated Housing Plan must stabilize neighborhoods by creating and preserving 100% permanently affordable housing that is community built and community owned, and working to keep existing residents in their homes.



# Priority 4

## End Real Estate Speculation by Supporting Community Ownership

While the need for affordable housing dramatically outpaces demand, real estate speculation exacerbates the problem and threatens our communities with displacement. In Manhattan, the Bronx, Brooklyn, and Queens, 40% of total home sales, and 52% of lower-priced home sales, are all-cash purchases, the majority made by LLCs and wealthy people with no intention of making the buildings they buy their primary residence. Local residents, particularly Black and brown, working-class families, can't compete, and lose the opportunity to build generational wealth.<sup>24</sup> At the same time, speculation in multifamily housing puts tenants at risk of poor conditions, harassment, and displacement, and creates endless barriers to housing preservation.

The Housing Stability and Tenant Protection Act of June 2019 finally removed several of the incentives that fueled intense displacement and high rent hikes in rent stabilized housing. The removal of the vacancy bonus and new limitations on major capital improvements slowed the acceleration of rental increases. This change will make a phenomenal difference going forward, but it will take years for incomes to catch up to the current, legal, unaffordable rents already allowed. Not-for-profit developers, who take their tenants' incomes into consideration when implementing rent increases, are different from the private ownership community, which most often maximizes rents regardless of an individual resident's ability to pay. This behavior results in an increasing number of rent-burdened New

Yorkers, thousands of New Yorkers at risk of eviction, and more who, after being evicted, have doubled up with family and friends or entered the shelter system.

Yet the administration has favored for-profit developers over mission-driven non-profits for both new affordable housing and preservation deals, taking profits generated from these transactions out of communities and putting them into developers' pockets. Between 2014 and 2018, for-profits were responsible for 79% of new HPD-financed units created and 67% of HPD-financed units preserved. In that same time, the administration awarded 75% of Requests for Proposals (RFPs) to develop public land to for-profit developers.<sup>25</sup> In most of these transactions, public land is transferred to private developers for \$1.



While one might think that this practice keeps the cost of affordable housing development down and allows for deeper affordability, this practice is taking public resources away from communities

<sup>24</sup> Goldberg, Leo; John Baker, and Ivy Perez. "The Outsized Power of Cash Buyers in New York City's Housing Market." Center for New York City Neighborhoods, Spring 2020.

<sup>25</sup> Sosa-Kalter, Stephanie. "Maximizing the Value of New York City-Financed Affordable Housing." Association for Neighborhood & Housing Development, October 2019.

and putting them into the hands of the private market, with no guarantee that affordability will be based on local need or that the agreed-upon affordability levels will be maintained after the initial regulatory agreement (often 60 years for public sites) expires.

Non-profit developers, conversely, most often keep revenue in the community, often in the form of direct service delivery, and are more likely to build more deeply affordable housing and keep it in their portfolios for longer, if not in perpetuity.<sup>26</sup> They also tend to take on complicated preservation deals involving extremely-low-income housing, smaller buildings, scattered sites, and more distressed properties.

It is important to bring clarity and transparency to the difference between for-profit owners /developers and not-for-profit owners/developers, and how the City's preference for for-profit developers in recent decades has changed the landscape of affordable housing development in New York City. As the City moved away from its traditional model of small new construction and preservation initiatives and started financing

larger buildings, it increasingly selected for-profit developers for these large projects, keeping non-profit developers relegated to the smaller, more complex deals. Because these large projects come with more lucrative developer fees, the gap in the amount of money available to for-profits vs. non-profits has grown significantly over time, making it even more difficult for the non-profits to compete. Our next administration must instead see non-profit developers as partners in creating equitable neighborhoods and provide them with the support they need to serve the communities where they work.

**The Integrated Housing Plan must stabilize neighborhoods by creating and preserving 100% permanently affordable housing that is community built and community owned, and working to keep existing residents in their homes.**

<sup>26</sup> Stein, 2021.



# Strategies

## Priority 4: End Real Estate Speculation by Supporting Community Ownership

- ✔ **Utilize public land for public good.** The next administration must require publicly owned sites to be developed as 100% permanently affordable housing that reaches those with the most need, by mission-driven, not-for-profit and/or community controlled developers, with space for community facilities.
- ✔ **Develop more public sites as affordable housing.** The City should undertake an inter-agency effort to identify underutilized and underbuilt public sites, such as parking lots, for transfer to HPD for development as affordable housing. To reduce racial disparities, there should be a focus on affluent, predominantly white communities where decades of policy have created high land costs that make affordable housing development more challenging.
- ✔ **Ensure public sites maintain affordability and community ownership in perpetuity.** Encourage the use of Community Land Trust (CLT) ownership structures, and/or ensure that in any development partnership, non-profit developers maintain majority ownership with long-term asset retention.
- ✔ **Increase outreach from HPD to mission-driven property owners,** such as faith-based institutions and non-profits, which may want to develop underutilized property as affordable housing.
- ✔ **Build capacity of non-profit developers.** The City must recognize interest paid on acquisition and predevelopment loans for non-profit developers and create a bridge financing product for when closings are delayed due to pipeline or capital restraints.
- ✔ **Give preference in RFPs to non-profit developers with large portfolios of low-income units.** This will encourage these developers to take on more complicated preservation projects without risking their ability to be competitive in new construction.
- ✔ **Assist struggling homeowners and small landlords.**
  - Fund foreclosure prevention services, including legal services and counseling, and expansion of the Homeowner Help Desk.
  - Fund programs that help homeowners and small landlords make necessary repairs such as HomeFix and Landlord Ambassadors, to keep existing homeowners and their tenants in their homes.
- ✔ **Prevent speculation on Low Income Housing Tax Credit (LIHTC) properties.** Ensure that all City-funded LIHTC projects transfer to non-profit control at year 15 for debt only. Require that limited partners exit at year 15, giving non-profit partners the right of long-term ownership.



### Create and fund mechanisms to turn existing unregulated units into affordable housing.

- **Support the Community Opportunity to Purchase Act (COPA)**, which creates a right-of-first-refusal for a list of pre-qualified developers, including primarily non-profits and MWBEs, as well as those using a CLT ownership structure, when landlords decide to sell their buildings. This can be done immediately by passing Intro 1977-2020.
- **Use tax liens as a preservation opportunity.** In the existing tax lien sale, the City sells outstanding tax debt to private, third-party investors. These investors often add to the debt, leading many to sell their home or initiate foreclosure. The Coalition for Affordable Homes found that this encourages property flipping and often causes displacement of both the homeowner and any non-rent-regulated tenants.<sup>27</sup> Tenants in distressed multi-family buildings that cycle through the tax lien sale multiple times see marked decline in the physical conditions of their homes.<sup>28</sup> Additionally, this disproportionately impacts communities of color - in 2019, the City was nine times more likely to sell a lien in a majority Black neighborhood than a white neighborhood.<sup>29</sup> The City must end the practice of selling tax liens to private speculators and instead create a new system focused on preservation.<sup>30</sup> This could take the form of a municipal debt purchaser, or another City-funded program that would:
  - expand outreach and education efforts to ensure that no owner loses their property if they are demonstrably working on a positive outcome for the building, the residents, and themselves;
  - if feasible, work with the existing homeowner to stabilize the building operationally, financially, and physically, when possible, and enter into a regulatory agreement;
  - create and fund an acquisition program to ensure that these properties remain in community ownership by acquiring them in rem and transferring them without debt to a building's residents, a local non-profit developer, a CLT, or a land bank, which will improve conditions for existing residents and maintain affordability in perpetuity; or
  - pursue foreclosure and transfer of the property to a preservation-minded owner such as the building's residents, a local non-profit developer, a CLT, or a land bank.

<sup>27</sup> Coalition for Affordable Homes. "Compounding Debt: Race, Affordability, and NYC's Tax Lien Sale." February, 2014.

<sup>28</sup> James, Letitia. "Tax Debt and Affordable Housing Preservation: an Alternative to the Lien Sale for Multifamily Properties." Office of the New York City Public Advocate, October 2016.

<sup>29</sup> Coalition for Affordable Homes, publication date forthcoming.

<sup>30</sup> Read more: Duranti-Martinez, Julia; John Krinsky, and Paula Segal. "Commodifying Our Communities." NYC Community Land Initiative, November 2020.

- ✔ **Create more affordable home ownership opportunities.** The City's homeownership initiatives must provide opportunities to enter the homeownership market for low- and moderate-income people and provide a balance between affordability and individual wealth building. These initiatives should avoid contributing to gentrification in low-income communities by reducing purchase prices to levels affordable to community residents currently residing where homes are being built. Regulatory agreements, shared equity resale frameworks, tax abatements, and down-payment assistance must be available to ensure affordability applies to initial purchasers as well as future buyers.



 The Integrated Housing Plan must ensure that no one is permanently displaced due to poor housing conditions or harassment, secure our communities by ensuring the long-term viability of the city's affordable housing stock, and guarantee that every New Yorker has a safe, healthy, and stable home.





# Priority 5

## Ensure All New Yorkers Have Safe and Healthy Housing

In 2019, the tenant movement secured major new protections for renters at the state level, as well as the creation of the Tenant Anti-Harassment Unit at HPD and the Mayor's Office to Protect Tenants. Despite these gains, a chaotic enforcement system and lack of interagency coordination means too many landlords are still getting away with harassment and neglected repairs. Black and Latinx New Yorkers are more than twice as likely to report deferred maintenance in their homes,<sup>31</sup> yet the City's enforcement regime fails to collect civil penalties when landlords refuse to make repairs. A 2018 analysis from the *New York Times* found that in the 126 most egregious housing court cases in Manhattan, the City settled the cases for 15% or less of the possible penalties, with an average settlement of about \$4,000 and a promise to complete repairs, which may or may not be completed.<sup>32</sup>

Meanwhile in public housing, physical conditions continue to deteriorate, affecting residents' health and quality-of-life. For example, a recent survey of NYCHA residents in five developments in the Rockaways found that 81% needed immediate repairs to their apartments, 25% said that their living conditions were negatively impacting their physical health, and 33% said their living

conditions were negatively impacting their mental health.<sup>33</sup> While those living in private housing can call 311 to report needed repairs, public housing tenants deal directly with NYCHA, meaning there is no independent verification of complaints, making follow-up and documentation a challenge. In 2017, NYCHA claimed it had inspected thousands of apartments for lead paint, when in fact these inspections never happened.<sup>34</sup> These issues are not just nuisances, they can have dire consequences - lead paint can cause developmental issues in children; additionally, one-third of Rockaway survey respondents who said they had mold in their apartments reported resulting respiratory issues.<sup>35</sup> These poor housing conditions can have long-term health consequences for residents, leaving them particularly vulnerable to the impacts of COVID-19.<sup>36</sup>

**The Integrated Housing Plan must ensure that no one is permanently displaced due to poor housing conditions or harassment, secure our communities by ensuring the long-term viability of the city's affordable housing stock, and guarantee that every New Yorker has a safe, healthy, and stable home.**

31 City of New York, 2020.

32 Ashford, Grace. "Leaks, Mold, and Rats: Why New York City Goes Easy on its Worst Landlords." *New York Times*, December 26, 2018.

33 Gates, Moses. "The Impacts of Living in NYCHA." Regional Plan Association with Community Voices Heard, July 2020.

34 Goodman, J. David. "City Filed False Paperwork on Lead Paint Inspections, Inquiry Finds." *New York Times*, November 14, 2017.

35 Gates, 2020.

36 van Zuylen-Wood, Simon. "We Have No Idea How Many Public Housing Tenants - or Workers - Have Coronavirus." *Intelligencer*, April 15, 2020.

# Strategies

## Priority 5: Ensure All New Yorkers Have Safe and Healthy Housing



### Hold bad landlords accountable.

- **Create stronger rules to prevent bad actors from doing business with the City.** Landlords with demonstrated records of tenant harassment, deferred maintenance, and/or discriminating based on source of income, should not be eligible to receive City funding and should not have properties returned to them after going through City programs such as 7A. (This will become even more urgent as new State legislation is set to potentially send more buildings to 7A administrators.<sup>37</sup>)
- **Create a civil penalty structure that escalates** based on type of condition, underlying conditions, and timing of repairs. The penalties must be significant enough to disincentivize private, speculative owners from purchasing a property that needs significant repairs.
- **Recover 100% of civil penalties when landlords fail to make repairs.** As the *Times* investigation showed, delinquent landlords let violations pile up knowing that the City won't collect. Enforcement needs both carrot and stick to be effective. HPD should work in collaboration with tenants and/or organizers to determine how to handle prosecution. These funds can be used as leverage for a preservation purchase.
- **Expand the Emergency Repair Program (ERP),** specifically to cover more instances where landlords have jeopardized living conditions for primarily low-income individuals and families by neglecting to make necessary health and hazard repairs over a specific period of time.
- **Expand the Alternative Enforcement Program (AEP).** HPD describes this program, which identifies buildings with high numbers of violations for priority repairs, as one of its "most effective enforcement tools for addressing distressed properties."<sup>38</sup> The agency currently identifies 250 buildings per year for repairs through this program, and should add more.
- **Bring harassment and discrimination claims against landlords.** The City has historically relied on tenants and third-party legal services organizations to bring anti-harassment and discrimination claims.

<sup>37</sup> Kully, Sadeef Ali. "New Law, Prompted by Bronx Boy's Death, Sets Deadline for Landlord Repairs." City Limits, November 20, 2020.

<sup>38</sup> NYC Department of Housing Preservation and Development. "The Alternative Enforcement Program, Rounds 1-6 2007-2014." Released 2014.

The City must more aggressively exercise its right to bring claims on behalf of tenants and dissuade future bad actors.

- **Expand Certification of No Harassment (CONH).** The pilot program, which requires landlords to demonstrate they have not harassed their tenants before demolishing a building or making major alterations, should be made permanent and expanded citywide.
- **Increase funding for anti-harassment work and tenant organizing,** including legal services and education, by mission-driven and community-based organizations.
- **Educate judges, court personnel, and City agencies on harassment,** including existing legislation and remedies. Within the last five years, the City Council has made numerous changes to the Housing Maintenance Code to prevent tenant harassment and punish landlords who harass tenants. Unfortunately, courts and City agencies have not caught up with those changes, and their practices and decisions do not allow tenants to use the full extent of the law to combat harassment. More training of judges, court personnel, and City agencies would help ensure that those laws are actually enforced.
- **Expand Right to Counsel.** The current law, which guarantees low-income tenants the right to counsel in housing court, should be immediately implemented across NYC. The law should also be expanded to help more tenants by covering all cases where evictions happen and by doubling the income threshold to 400% of the federal poverty line. The City should also fund community organizing groups so that tenants know and assert their rights.
- **Require landlords to post a Tenants' Bill of Rights in every rental building.** The Bill of Rights, posted in multiple languages, would include information about tenants' right to a safe and healthy home, information about how to report violations, regulations regarding heat and hot water, and other resources such as information on rent regulation and protections available for domestic violence survivors.<sup>39</sup>



**Expand funding for and legalize Accessory Dwelling Units (ADUs).** The Pratt Center for Community Development and Chhaya CDC estimated in 2009 that as many as 1 in 16 New Yorkers, primarily immigrants, were living in ADUs<sup>40</sup>, such as basement and cellar apartments, and that number is likely to have grown significantly since then as housing prices have continued to rise. Through updating the regulatory framework for these units and providing homeowners with an amnesty program, access to low- or no-interest loans, financial counseling, and regulatory agreements to protect tenants, the City could make

<sup>39</sup> Stringer, Scott M. "A Bill of Rights for NYC Renters." Office of the New York City Comptroller, February 13, 2020.

<sup>40</sup> Neuwirth, Robert and Rachana Sheth. "New York's Housing Underground: A Refuge and a Resource." Pratt Center for Community Development and Chhaya Community Development Corporation, March 2008.

safe and stable at least 200,000 new, legal apartments and ensure safety and guarantee affordable rents for the population already living in them.<sup>41</sup> The de Blasio administration announced support for expansion of the East New York Basement Apartment Conversion Pilot program in February of 2020, but promptly pulled funding from the pilot and any future expansion due to COVID-related budget cuts.<sup>42</sup> The next administration should prioritize following through on the pilot and expanding the program citywide.

### ✔ Streamline NYCHA's system for repairs.

- **Create an office or entity within NYCHA dedicated to execution of capital improvements** and require them to submit monthly, public reports on progress and staffing capacity.
- **Require cyclical inspections of all NYCHA units**, including converted (Section 8/RAD) developments.
- **Prioritize repairs that affect health**, such as mold, lead, and heat and hot water, and ensure that repairs are good quality and address underlying conditions.
- **Allow NYCHA residents to use the 311 system** to better track complaints, violations, and repairs. Hold NYCHA accountable for completing these repairs.

41 Basement Apartments Safe for Everyone (BASE) campaign. "Blueprint for Basement Apartments." January 2021.

42 Kully, Sadeef Ali. "City's Basement Apartment Program Buried by COVID-19 Budget Cuts." City Limits, May 11, 2020.



 Create an equitable approach that centers fair housing and neighborhood priorities so that no single community can stand in the way of critical citywide needs.



## Priority 6

### Support Planning that Centers Local Knowledge Within a True Citywide Framework

In the last seven years, the de Blasio administration completed neighborhood rezonings in six low-income communities of color - East New York in Brooklyn, Inwood and East Harlem in Manhattan, Far Rockaway in Queens, the Jerome Avenue corridor in the Bronx, and the Bay Street corridor in Staten Island. Residents in all these neighborhoods struggled to make their voices meaningfully heard in the process, some even creating their own alternative plans, which the administration ignored. The administration provided no clear rationale as to how they chose these neighborhoods to be rezoned over others, and top officials have even admitted on record that the decision can often be more political than reasoned.<sup>43</sup> Meanwhile, the administration has rejected outright community-driven proposals to guide development in Bushwick, Brooklyn and Manhattan's Chinatown.

As mentioned above, years of disinvestment in public housing has fostered mistrust between residents and NYCHA leadership. A recent survey from CSS showed residents divided in their opinions about NYCHA's various proposals to generate revenue and preserve units.<sup>44</sup> At a recent State Assembly hearing on the *Blueprint for Change*, public housing resident leader-

ship testified that residents felt left out of the plan's development and called for the agency to improve its communication and engagement with residents.<sup>45</sup>

It is clear that our City's current approach to planning is broken, and it is time to move away from our reactive and transactional model, to a proactive and advocacy-oriented model that gives residents a real voice in decision-making about the city's future. Yet we must also consider that some communities may not have the whole city's best interests at heart - the recent opposition from residents of the Upper West Side to placement of homeless residents at the Lucerne hotel, for example, demonstrates how the wealthy and powerful's "not in my backyard" attitude can assert undue influence.

**Planning must be a key part of the Integrated Housing Plan to ensure that residents' voices are meaningfully incorporated, and to create an equitable approach that centers fair housing and neighborhood priorities so that no single community can stand in the way of critical city-wide needs, such as affordable housing development and homeless housing.**

43 Max, Ben and Gabriel Slaughter. "New York City Doesn't Have a Comprehensive Plan; Does it Need One?" Gotham Gazette, May 16, 2018.

44 Bach, Victor; Oksana Mironova, and Tom Waters. "NYCHA in Flux: Public Housing Residents Respond." Community Service Society, July 2020.

45 Barber, Daniel and Reginald Bowman. Testimony to the NY State Assembly - Virtual Public Hearing on the New York City Housing Authority's (NYCHA's) "Blueprint for Change" Proposal to Help Streamline Operations and Address Its Capital Needs Part 1. December 8, 2020.

# Strategies

## Priority 6: Support Planning that Centers Local Knowledge Within a True Citywide Framework



**Create a Citywide Comprehensive Planning Framework.** To be truly effective, planning must not be piecemeal, must meaningfully include communities in an effort to achieve racial and economic justice, and must be coordinated directly with budgeting and policy-making. A Comprehensive Planning Framework would ensure that both benefits and burdens are distributed fairly and that resource allocation is based on need, rather than traded with a community in exchange for approval of a rezoning.

- The Framework should be designed to meet explicit goals of reducing racial and economic disparities and addressing the needs of the city's most vulnerable populations. Community-district-level needs assessments should analyze opportunities, unmet needs, and displacement risk, with a focus on access to opportunity in the areas of affordable housing and housing for the homeless, jobs (including preservation of manufacturing zones), education, transportation, health, and sustainability.
- Its implementation should be based on a collaborative process that allows local residents and stakeholders to create and steward local land use plans based on the Framework.
- Any rezonings and public facility sitings should be guided by the Framework and the associated local land use plans. These decisions should be made in conjunction with an associated policy framework and future plans for the City's expense and capital budgets.<sup>46</sup>



**Require a Racial Impact Study** as part of the environmental review for rezonings and proposed development projects. Along with other environmental analysis, the Racial Impact Study would inform decision-making about how and where development should take place.<sup>47</sup> The City Council can require this immediately by passing Intro 1572-2019.



**Require analysis of community-based plans on par with City- and developer-driven proposals.** Another component of environmental review for large-scale projects is analysis of alternatives. However, in cases such as East New York and Jerome Avenue, where communities created their own alternatives, the City refused to analyze those plans as an alternative to its own. And in cases such as Bushwick and Chinatown, where communities proactively advanced their own plans, the City has refused to consider them and move them forward. Community-created plans should have an equal opportunity for consider-

<sup>46</sup> Read more: "Thriving Communities" Coalition Platform, October 2020.

<sup>47</sup> Read more: Churches United for Fair Housing. "Zoning and Racialized Displacement in NYC." December 2019.

ation as developer- or agency-led plans, and when two opposing plans exist for the same area, the “lead agency” (either the City or a developer) should be required to analyze both so that decision-makers can compare potential impacts and use this information to inform their choices.

### ✓ Create more resident control in NYCHA.

- NYCHA must engage in good faith and ensure that **important decisions about its future are made by the people who live there** - resident leaders and tenants, with the support of advocates and independent technical assistance providers. Any decisions about future preservation or development strategies must require a resident ballot for approval.
- **Give NYCHA residents a role in management.** NYCHA should provide training, education, and resources for NYCHA residents regarding formation of Resident Management Corporations (RMCs).



## Addendum: Priorities for New York State

- ✔ **Pass the Invest in Our New York Act.** Tax high incomes, wealth, big business and the financial sector to fund critical housing needs.
- ✔ **Fully Fund NYCHA.** The State's commitment should match the City's commitment of \$2 billion per year.
- ✔ **Pass the Emergency Housing Stability and Displacement Prevention Act** to create a universal eviction moratorium.
- ✔ **Pass the Rent and Mortgage Cancellation Act of 2020** to clear rent debt accumulated during the COVID-19 housing crisis, while providing mortgage support and financial aid to landlords who truly need it.
- ✔ **Pass Good Cause Eviction protections** to ensure tenants in unregulated units can stay in their homes.
- ✔ **Eliminate Major Capital improvements (MCIs),** which pass the cost of repairs to tenants, for all housing that is not subject to a regulatory agreement.
- ✔ **Pass the Housing Access Voucher Program (HAVP),** a rent subsidy program for homeless New Yorkers and those at risk of becoming homeless.

- ✔ **End the 421-A tax abatement** and invest instead in funding real affordable housing creation.
- ✔ **Fully fund 14,000 supportive housing units** yet to be funded from Governor Cuomo's 2016 commitment of 20,000 units statewide, along with annual allocations of service and operating funds needed to support this housing and its completion by 2026.
- ✔ **Further increase transparency of Limited Liability Corporations (LLCs)** to make enforcement against bad landlords easier.
- ✔ **Legalize Accessory Dwelling Units (ADUs).** Both the City and State can support an updated regulatory framework for these units.
- ✔ **Provide rental assistance to the undocumented.** Expand the program that provided one-time rent relief to undocumented New Yorkers in response to COVID-19.
- ✔ **Expand Cease-and-Desist Zones** to prevent excessive speculation.
- ✔ **Create a Good Neighbor Tax Credit** to encourage owners of small buildings that have tenants to keep their rents low.

# Acknowledgments

Thank you to the following coalition members who contributed to this report:

**ANHD:** Barika Williams, Emily Goldstein

**Center for New York City Neighborhoods:** Christie Peale, Leo Goldberg, Julian Clayton

**Community Service Society:** Samuel Stein, Victor Bach

**Make the Road New York:** Jose Lopez, Javier Valdes, Jennie Stephens-Romero, Daniel Altschuler

**Community Voices Heard:** Afua Atta-Mensah, Juanita Lewis

**MHANY Management:** Ismene Speliotis, Celeste Hornbach, Arunabha Chakravarty

**New York Communities for Change:** Jonathan Westin, Cynthia Norris

**RiseBoro Community Partnership:** Scott Short, Emily Kurtz

**VOCAL-NY:** Paulette Soltani

**Project Consultant/Report Writing:** Lacey Tauber

Design by Partner & Partners





**New York City needs leaders who will work in partnership with communities to confront challenges head on, oppose austerity and center the voices and priorities of low-income New Yorkers of color.**