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The City of New York Manhattan Community Board 8

**Housing Committee** 

Lenox Hill Hospital 130 East 77<sup>th</sup> Street Aron Board Room Tuesday, June 14, 2016 6:30 PM

## **Minutes**

<b>CB8</b> Members in Attendance:	Loraine Brown,	Ed Hartzog,	Ellen Polivy,	Rita Popper,	Lynne Strong-
Shinozaki, and Marco Tamayo					

CB8 Members – Excused Absence: Barbara Chocky

**Members of the Public:** Eliza Prendzova, Z. T. Richards, and Denise \_\_\_\_\_

The Housing Committee deals with a range of housing matters, which include, but not limited to, identifying housing needs, deteriorating housing conditions, improving the delivery of local housing services, overbuild of skyscrapers, lack of affordable units, protecting the rights of the low income New Yorkers, elderly/disabled and creating diversity.

1. Housing Preservation and Development [HPD] Lottery Program for Affordable Housing, Inclusionary and Mandatory Inclusionary Housing Programs.

Jordan Press, Director of State and Federal Affairs addressed its lottery program. Mr. Press discussed HPD and HDC roles in creating affordable housing opportunities through public-private partnerships with real estate developers and community sponsors. Mr. Press stressed that HPD and HDC **do not directly rent and manage apartments.** If apartments receive New York City subsidy, these units **must** be rented through an Open Lottery System conducted by HPD.

Mr. Press covered the following topics:

- NYC Housing Connect website where affordable housing opportunities could be found.
- Information needed to apply for affordable housing [project, borough, bedroom size, AMI and income band]
- Paper application and Internet Application
- Types of Income and Assets [Section 8]
- Process after submission of application randomized by computer

- Preference and set aside categories
- Challenges HUD guidelines, relaxed FICO scores, expand number of income bands, etc.
- Interview Process [conducted by developer]
- Received letter approved or denied]

Louise Carroll, Associate Commissioner, addressed the Inclusionary and Mandatory Inclusionary Housing Programs. Commissioner Carroll stated "...NYC is experiencing an unprecedented housing crisis, and we need more tools to counter market pressures in that we need to protect our neighborhoods now. With that said, HPD has enacted "pioneering" program to make affordable housing mandatory and permanent wherever new housing is approved through land use actions including NYC subsidies and neighborhood investments. This would create tens of thousands of affordable housing apartments in high quality neighborhoods, while stabilizing those neighborhoods for years to come..."

Commissioner Carroll covered the following topics on Mandatory Inclusionary Housing:

- How it works when new housing capacity is approved through land use actions, the City Planning Commission and the City Council can choose to impose either one or both of these two basic options: Option 1 affordable housing set asides, [25%] AMI [60%], or Annual Maximum Income [\$47,000 family of three] Option 2 affordable housing set asides, [30%] AMI [80%], or Annual Maximum Income [\$62,000 family of three]
- The City Planning Commission and the City Council **may also add one or both of two other options** Two other options: Option 3 affordable housing set asides, [20%] AMI [40%], or Annual Maximum Income [\$31,000 family of three] Option 4 affordable housing set asides, [30%] AMI [115%], or Annual Maximum Income [\$89,000 family of three]
- City subsidies would allow projects to reach more families and low income households
- Permanent affordable housing

Commissioner Carroll covered Voluntary Inclusionary Housing topics:

- Inclusionary Housing Program promotes economic integration in areas of NYC undergoing substantial new residential stock by offering an optional floor area bonus in exchange for the creation or preservation of affordable housing on or off-site for low-income households. Designated areas are in the Zoning Resolution.
- Affordable apartments may be rental units or, under modifications made to the program in 2009, available in an ownership plan [ownership is limited]. cannot be used in CB1-8
- A percentage of units may be set-aside for moderate or middle-income households if a greater percent of affordable units is provided. All bonus floor area must be accommodated within the height and setback underlying zoning district [i.e., Special Hudson Yards District Special West Chelsea, 1<sup>st</sup> Avenue between East 35<sup>th</sup> and East 41<sup>st</sup>].
- Two programs are eligible to achieve the IHP are the Housing R10 program and the IH designated areas program.
- Special agreement with the non-for-profit programs

## Q and A

The following topics were topics raised during the question and answer session:

How many IH vouchers are available? In FY2015 3,000 units were created and for FY2016, HPD has pledged to create 1,300 units.

If you move out of state and later notified that you now eligible for an affordable unit, can you still accept the unit? No, if you're CB eligible then you must be a permanent NYC resident at time of interview. If you're citywide eligible the wait list is too long for it to matter.

How are the affordable housing units advertised if one does not have a computer? These units are advertised in the free local papers {Metro, AM New York], library, Community Boards, and elected officials. A notification could be requested for this information to be sent via email and/or snail mail.

What percentage of applicants is interviewed? 1-800 to 1,000 is interviewed for each project.

Are Section 8 vouchers available? Beginning 2016 NYCHA has 85,929 vouchers with an expected turn over of 3,120 mobile vouchers. NYCHA has approximately 93,000 vouchers. NYCHA is still handing out vouchers but their wait list is approximately nine years long. These vouchers are allocated through attrition, evictions, people moving, deaths, and incarceration. HPD vouchers are connected to their developments [homeless and rehab projects].

Could one do a private subsidy? There are guidelines in the handbook regarding 'gift' subsidies, which would require an affidavit, etc.

What address would one use if you are homeless? The address to be used would be the shelter address or the last address of record in that specific CB.

Is psychiatric impaired individuals placed in the preference and set aside categories? No, this group would be part of supportive housing.

What is the appeal process? You received a letter stating that you are over or under income or you do not live in the CB. You must send your appeal to the developer within 14 days. You may be called and/or a supervisor would do a review of your file to make sure, and then you would receive a follow up letter with approval or denial. If you strongly believe that you are not being treated fairly you could send an email to <a href="hpdcompliance@hpd.nyc.gov">hpdcompliance@hpd.nyc.gov</a>. HPD would ask the developer to send that file to see if anything was done incorrectly. If we see any inconsistency we would rule in favor of the applicant. We updated our Tenants Rights for evictions on our website. A developer may reject a tenant due to history of evictions for the past four years.

If you have low credit scores could you be denied? No, HPD has updated their tenant rights by prohibiting any developer of denying an applicant based solely on credit scores.

Is there a development fee for a credit and/or background check? Not sure. A fee of \$25-\$30 for a credit report could be charged.

What happens if you are disabled and your application is denied? Your application is placed in the general pool.

Is NYCHA's Holmes Towers 50/50 governed by MIH guidelines since HPD is going to conduct the lottery? How is the 50% affordable housing going to be allocated and what AMI is going to be used for Holmes? There is a MIH component to the 50/50 plan, which would be marketed through HPD/HDC's Marketing programs.

The ten-year fund is a loophole for developers to take its certificates and build affordable housing in other boroughs and, therefore, we are asking Commissioner Carroll to provide, in the very near future, a list of all of the "loopholes" in its program that developers use to bypass building in CB8?

How do we, the CB and residents, keep from loosing affordable housing units that developers are exercising in other boroughs less expensive than UES?

Why don't you enforce the zero energy buildings? If the landlord is not paying the utilities, the rents are reduced to give the tenants an allowance.

Commissioner Carroll, Director Press and Director of Planning, Veanda Smith were thanked for their time and presentation. We asked if they would return at a later date. HPD left literature, which would be provided, to CB8 District Office.

- 2. Old Business: N/A
- **3. New Business:** Reach out to Zoning and Development Committee to have a joint meeting for July to discuss small businesses that are being pushed out along Second Avenue and in CB8.

Meeting adjourned at 8:42 p.m.

Loraine Brown and Ed Hartzog, Co-Chairs