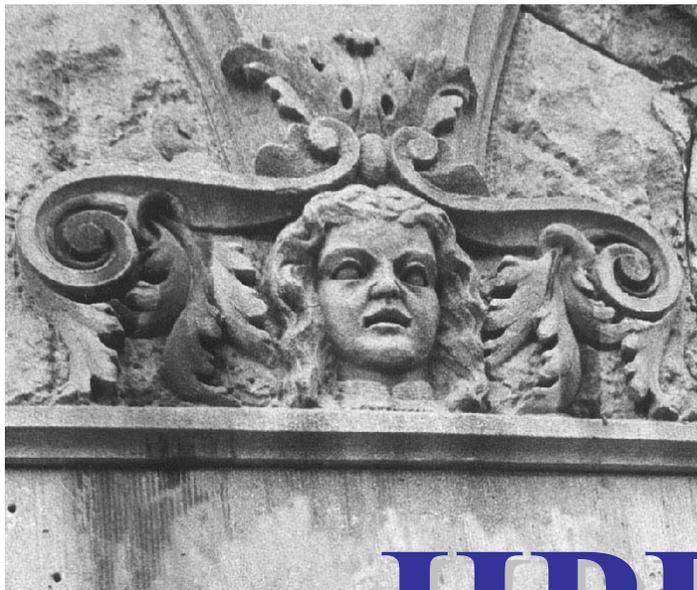




A Guide To The
Programs And Services Of

THE DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT



HPD

March 2004

A publication of the City of New York
Department of Housing Preservation and Development (HPD)
www.nyc.gov/hpd

For information about New York City government, please call **311** – The
New York City Citizen Service Center, 24 hours a day, seven days a week

Michael R. Bloomberg, Mayor

Daniel Doctoroff, Deputy Mayor for Economic Development and Rebuilding

Shaun Donovan, Commissioner of the NYC Department of Housing
Preservation and Development

TABLE OF CONTENTS

TABLE OF CONTENTS	2
MAYOR MICHAEL R. BLOOMBERG'S <i>NEW HOUSING MARKETPLACE PLAN</i>	5
FREQUENTLY ASKED QUESTIONS	7
MISSION STATEMENT	14
JOB OPPORTUNITIES	14
HOUSING AND COMMUNITY DEVELOPMENT FELLOWSHIP PROGRAM	15
ALUMNI ASSOCIATION	16
DOING BUSINESS WITH HPD	16
HOW TO GET ON HPD'S VENDOR LIST	18
VENDEX	18
INSURANCE REQUIREMENTS	18
HOW TO RESOLVE VENDOR PAYMENT ISSUES	18
BUSINESS OPPORTUNITY PROGRAM	19
PRE-AWARD CONFERENCES	19
CONTRACTOR TRAINING PROGRAM	19
EQUAL OPPORTUNITY (EO) PACKAGES	20
ENFORCING LABOR STANDARDS	20
LEASING COMMERCIAL SPACE	20
SECTION 1: CREATING NEW HOUSING OPPORTUNITIES	21
PROVIDING AFFORDABLE HOUSING	21
AFFORDABLE HOUSING HOTLINE	21
MITCHELL-LAMA HOUSING	21
SENIOR CITIZEN RENT INCREASE EXEMPTION PROGRAM (SCRIE)	22
SECTION 8 RENTAL ASSISTANCE – INFORMATION FOR TENANTS	23
SECTION 8 RENTAL ASSISTANCE – INFORMATION FOR OWNERS	28
FAMILY SELF-SUFFICIENCY PROGRAM	31

NEW HOME CONSTRUCTION/REHABILITATION	32
NEW FOUNDATIONS	32
PARTNERSHIP NEW HOMES	32
NEHEMIAH	33
HOMEWORKS	34
STOREWORKS	35
LOW DOWN PAYMENT MORTGAGE FINANCING FOR UNIFORMED POLICE OFFICERS (NYPD HOME)	35
ANCHOR	36
LARGE SCALE DEVELOPMENT	37
CORNERSTONE PROGRAM	37
SECTION 2: PRESERVING PRIVATELY-OWNED HOUSING	38
HOUSING PRESERVATION PROGRAMS	38
HOUSING EDUCATION PROGRAM	38
OWNER SERVICES PROGRAM (OSP)	39
IDENTIFYING AT-RISK BUILDINGS	40
ANTI-ABANDONMENT AREA OFFICES	41
NEIGHBORHOOD PRESERVATION CONSULTANTS	41
LOAN PROGRAMS	42
LITIGATION	46
7A MANAGEMENT	46
IN REM ACTIONS AND THIRD PARTY OWNERSHIP	46
NARCOTICS CONTROL UNIT (NCU)	47
MAINTAINING SAFE HOUSING	48
CODE ENFORCEMENT	48
PROPERTY REGISTRATION UNIT	49
REPORTING AN APARTMENT MAINTENANCE PROBLEM	49
HEAT AND HOT WATER	50
HOW TO CORRECT VIOLATIONS	51
EMERGENCY HOUSING SERVICES BUREAU	51
EMERGENCY REPAIR PROGRAM	51

LEAD-BASED PAINT TREATMENT: PRIMARY PREVENTION PROGRAMS _____	52
DEMOLISHING UNSAFE BUILDINGS _____	53
SECTION 3: RETURNING CITY-OWNED BUILDINGS TO PRIVATE OWNERSHIP _____	54
DISPOSITION PROGRAMS _____	54
NEIGHBORHOOD ENTREPRENEURS PROGRAM (NEP) _____	54
NEIGHBORHOOD REDEVELOPMENT PROGRAM (NRP) _____	55
TENANT INTERIM LEASE PROGRAM (TIL) _____	56
TENANT INTERIM LEASE II (TIL II) _____	56
TENANT OWNERSHIP PROGRAM (TOP) _____	56
ASSET SALES BUILDING PURCHASE PROGRAM _____	57
NEIGHBORHOOD HOMES (NH) _____	57
CENTRAL MANAGEMENT _____	58
TENANT SUPPORT SERVICES (TSS) _____	58
RENT PAYMENT _____	58
SECTION 4: COMMUNITY SUPPORT SERVICES _____	59
FAIR HOUSING _____	59
USING TAX INCENTIVES TO CREATE NEW HOUSING _____	60
LOW INCOME HOUSING TAX CREDITS _____	60
TAX INCENTIVE PROGRAMS _____	60
SUPPORTIVE HOUSING PROGRAMS _____	61
URBAN PLANNING AND RENEWAL _____	67
NEIGHBORHOOD PLANNING OFFICES _____	67
NEIGHBORHOOD-WIDE REDEVELOPMENT (URBAN RENEWAL) _____	68
VACANT LAND DEVELOPMENT _____	69
SECTION 5: THE NEW HOUSING MARKETPLACE PROGRAM DESCRIPTIONS _____	70

THE NEW HOUSING MARKETPLACE: CREATING HOUSING FOR THE NEXT GENERATION

In December 2002, Mayor Michael R. Bloomberg announced “*The New Housing Marketplace: Creating Housing for the Next Generation*,” a \$3 billion plan to create and preserve more than 65,000 homes and apartments citywide over the next five years. We are pleased to report that since the Mayor announced the plan, the City has put into place major new program components and has made significant progress towards meeting our goals.

The plan commits to funding the new construction or rehabilitation of 65,000 homes and apartments from fiscal year 2004 through 2008. We’re on target. 10,197 units are already in the development pipeline¹ – 1,214 units are currently under construction, and the remaining 8,983 will be in construction by the end of June 2004. The need for preliminary planning, program start-up, and pre-development work in the early years of the plan means the construction pipeline will be 8,549 and 13,250 in the second and third years.

Over the next five years, an estimated 66,950 construction and construction-related workers will be employed by the *New Housing Marketplace* plan.²

Our intention is to maximize affordability of the homes and apartments created through the housing plan wherever possible. We estimate that the funds will enable 46% of the new and preserved units to be affordable to low-income households, 38% of the units to be affordable to moderate-income households, and 16% of the units to be affordable to middle-income households³.

We forged an innovative public/private partnership with private banking firms to provide up \$200 million over five years for acquisition and pre-development costs, which will encourage residential development in derelict or substantially vacant manufacturing areas. In order to leverage these funds, the City has committed \$8 million as top loss reserve for the bank fund in the first year.

The New Ventures Incentive Program (New VIP) is a major new initiative to accelerate the construction of up to 10,000 units of new housing over the next five years. In October 2003, four private lenders (Citigroup, Deutsche Bank, HSBC and JPMorganChase) agreed to participate in the first year of this program. These banks will be joined by Fannie Mae, Fleet, and Washington Mutual.

We’re increasing homeownership opportunities, including first time homebuyers’ down payment assistance; 242 New Yorkers have graduated from the required Homebuyer Education classes with an HPD-approved counseling agency, and 41 of those are on their way to purchasing their first home. Hundreds more are enrolled in homebuyer education classes. The plan also creates New York City’s first employer-assisted housing program. Employer-

¹ *The development pipeline is inclusive of units in all HPD projects targeted for construction start and HDC projects with a closing date by the end of June 2004 (FY04) and the end of June 2005 (FY05).*

² *The generally accepted formula is that 1,000 units of housing development creates 1,030 construction and construction-related jobs.*

³ *In 2003, the Area Median Income (AMI) U.S. Department of Housing and Urban Development for a family of four in New York City is \$62,800. Low-income is 80% or less of AMI; moderate-income is 81-99% of AMI; middle-income is 100-250% of AMI.*

assisted housing is a retention tool for large employers such as universities and hospitals and a means to make homeownership within the city more affordable for employees. Both are targeted to neighborhoods in the city with lower than average homeownership rates.

We've expanded special needs housing. In Spring 2004, the City's first Foyer housing program for young adults at risk of homelessness will open. We've increased funding for permanent supportive housing by 79% over the next three years (from \$85 to \$153 million)⁴ in order to expand permanent housing to homeless single adults, homeless families, and youth aging out of foster care. We've also begun three pilots for formerly homeless and low-income families to buy a home.

In early 2004, the State Assembly and State Senate leadership were presented with legislation to preserve affordable rents for 32,000 Mitchell-Lama apartments by extending rent stabilization. In return, owners would be entitled to real estate tax relief for those apartments that would be newly regulated, and the proposed bill would also provide financial incentives to owners to remain in the Mitchell-Lama program by allowing them to increase their return on equity while maintaining Mitchell-Lama guidelines on tenant income and occupancy.

The *New Housing Marketplace* plan was created in response to the changing needs of our communities. Abandonment, decay, and a large inventory of City-owned properties no longer blight our communities. Today we face increasing demand for housing, a growing population, scarcity of sites suitable for development, and an aging housing stock. This plan is designed to meet these new challenges. The *New Housing Marketplace* plan represents a fundamental change in how HPD and other City agencies are responding to the housing needs of New Yorkers.

Descriptions of the *New Housing Marketplace* programs are available in Section 5 of this handbook.

⁴ The sources of the \$68 million in increased funding for special needs housing initiatives are federally-funded Housing Opportunities for People With AIDS (HOPWA) and the Mayor's housing plan.

ABOUT HPD

FREQUENTLY ASKED QUESTIONS

- **I have no heat or hot water in my apartment. What can I do?**

By law, residential owners must provide adequate heat between October 1 and May 31. During this period, between 6:00 a.m. and 10:00 p.m., if the outside temperature is below 55 degrees Fahrenheit, owners must heat apartments to at least 68 degrees Fahrenheit. Between 10:00 p.m. and 6:00 a.m., if the outside temperature is below 40 degrees Fahrenheit, owners must heat apartments to at least 55 degrees Fahrenheit. Owners must also provide hot water at a minimum constant temperature of 120 degrees Fahrenheit all year round.

Tenants whose building owners fail to provide adequate heat or hot water should first speak with the owner or building manager about the problem. If an owner does not restore heat and hot water, tenants should then call the City's Citizen Service Center at 311, open 24 hours per day, seven days per week, to lodge a complaint (311 can be accessed outside of New York City by dialing (212) NEW YORK).

- **What can I do if my apartment needs maintenance and the owner is ignoring my requests?**

Tenants living in an HPD-owned building who have complaints about the maintenance of their apartment should call 212-491-4229 or 311.

Tenants living in a privately-owned building who believe their owner does not maintain their apartment adequately should first speak to the building owner or manager about the problems. If the owner or building manager does not make repairs, the tenant should call the City's Citizen Service Center at 311, open 24 hours per day, seven days per week (311 can be accessed outside of New York City by dialing (212) NEW YORK). If a building owner fails to repair the apartment after an HPD inspection has uncovered violations, tenants may file suit against the owner in Housing Court. For further information on Housing Court, call the Citywide Task Force on Housing Court at (212) 982-5512, open Monday through Friday, from 9 a.m. to 5 p.m. Tenants and owners may also find assistance at information tables set up in Housing Court.

In addition, tenants in rent controlled or rent stabilized apartments may call the State Division of Housing and Community Renewal's (DHCR) Office of Rent Administration by contacting (718) 739-6400. DHCR may impose penalties on building owners in the form of rent reductions if a tenant's problems are valid.

Tenants with maintenance complaints about apartments in New York City Housing Authority (NYCHA) buildings should go to their management office and fill out a work ticket.

- **I need affordable housing. How can HPD help?**

Information about affordable rental apartments rehabilitated through HPD programs is available by calling the Affordable Housing Hotline at 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK). Information about affordable homeownership options is also available on www.nyc.gov/hpd. The City itself does not sell homes, but works with real estate professionals and community sponsors to market homes. You will see phone numbers listed for our partners at our homeownership page, and you will need to contact them directly to receive an application that is specific to each development.

Information is also available at www.nychome.org, a new website designed to assist potential homeowners in searching for a home in the five boroughs. This website gives the prospective homebuyer all the tools to search for, evaluate, and purchase a new home in New York City.

- **What programs does HPD offer to help me repair my house or apartment building?**

To qualified homeowners, HPD offers low interest rehabilitation loans in neighborhoods throughout the city. The agency also works with Neighborhood Housing Services (NHS) to offer various loans below market rate. For more information about these loan programs, call (212) 863-5300, or see our section on loan programs for building owners.

Owners of apartment buildings requiring systems repairs such as new plumbing or electrical systems may find assistance through HPD loan programs such as the Article 8A Loan Program. Owners of apartment buildings requiring more extensive rehabilitation may seek financial help from the Participation Loan Program (PLP). Homeowners should consider the Small Buildings Loan Program.

HPD's Tax Incentives Programs provide temporary tax relief for owners who build new housing or renovate their property.

Once a month, HPD staff travel to a different borough to host Owners' Night: An Evening Dedicated to Helping New York City's Property Owners. Learn about the availability of low-interest loans, free educational courses and free owner counseling.

- **I see drugs being sold in my building. What can I do?**

Tenants in HPD-owned buildings are encouraged to immediately report all drug activity to HPD's Narcotics Control Unit at (212) 863-7284. To secure buildings from drug dealers and vandals, tenants should ask the building manager or area office to report broken locks or intercoms.

Tenants in privately-owned buildings should notify their building owners and the police of illegal activity in their building. Owners have an obligation to alert the police to any illegal activity in their building.

- **What should I do if my building owner is harassing me?**

Building owners are prohibited by law from harassing tenants to force them out of their apartments. Examples of harassment include verbal or physical abuse, consistent withholding of services, or persistent physical or mental intimidation.

Tenants in rent regulated apartments who believe they are being harassed by their building owner may contact the New York State Division of Housing and Community Renewal (DHCR) Office of Rent Administration by contacting (718) 739-6400 or visit their web site at www.dhcr.state.ny.us.

Tenants who live in buildings that are not rent regulated who believe they are being harassed may have grounds to initiate legal action in Housing Court against their building owners. Tenants may want to consult with and secure the services of an attorney before initiating any lawsuit. Tenants who cannot afford legal representation may be eligible for free or inexpensive assistance from the Legal Aid Society, which may be reached at (212) 577-3300. Tenants may also seek legal assistance from HPD's Fair Housing Counselors who offer advice and Housing Court Mediation services. Assistance is also available at information tables set up in Housing Court.

The only legal way a building owner may evict a nonpaying tenant who refuses to move voluntarily is through a nonpayment eviction proceeding in Housing Court. Owners must obtain a judgment of possession and "warrant" directing the sheriff or marshal to evict the tenant.

Many leases contain "nuisance" provisions that, under certain circumstances, allow building owners to undertake eviction proceedings for objectionable conduct. A "nuisance" is generally considered conduct that threatens the health, safety or comfort of neighboring tenants. To justify eviction, building owners need to present evidence in Housing Court demonstrating that a tenant's nuisance behavior was persistent and egregious. For further information on Housing Court, call the Citywide Task Force on Housing Court at (212) 982-5512, open Monday through Friday, from 9 a.m. to 5 p.m.

Owners contemplating legal proceedings may wish to consult with an attorney experienced in housing matters.

- **How do I buy an HPD-owned building?**

Many people have expressed interest in buying a dilapidated building and fixing it up themselves. HPD does not sell buildings in dilapidated condition to the general public. Occasionally, HPD sells buildings at market value without City subsidy through the Asset Sales program when they are in better physical shape. Current tenants in good standing are given the first opportunity to purchase their building. If the tenants are not interested or not able to purchase, the building is offered to the general public through a Request for Offers Process. Those interested may call (212) 863-7630.

Information on plans for specific HPD-owned buildings may be obtained by calling 212- 863-5322.

The Department of Citywide Administrative Services' (DCAS) Division of Real Estate holds auctions of vacant land and commercial buildings. Please call 311 for further information (311 can be accessed outside of New York City by dialing (212) NEW YORK).

- **How often must owners register their buildings with HPD?**

The Housing Maintenance Code requires owners of multiple dwellings to register their buildings with HPD annually. "Multiple dwellings" are defined as buildings with three or more dwelling units. One- and two-family dwellings need not be registered unless the owner lives outside of the City. In such cases, the building must be managed by a New York City agent and registered with HPD's Registration Assistance Unit. Buildings containing six or more dwelling units must be registered by April 1 of each year, and buildings containing five or fewer dwelling units must be registered by October 1 of each year. HPD may sue owners who fail to register their buildings according to the law. Information and downloadable registration forms are available from the Registration Assistance Unit, which may be reached by calling 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK).

In addition to registering with HPD, owners of buildings that contain rent-regulated apartments are also required to register individual rent regulated apartments annually with the State Division of Housing and Community Renewal (DHCR). For more information, call (718) 739-6400.

- **How do I contact HPD for more information?**

This guide contains many program descriptions and HPD contacts. If you are seeking more information about HPD, visit the agency's website at www.nyc.gov/hpd or call the City's Citizen Service Center at 311.

- **How can I tell if I own a Single Room Occupancy (SRO) building and what regulations apply?**

Generally, SRO units consist of one or two rooms that either lack complete kitchen and/or bathroom facilities or share them with other units. SRO units are often furnished, and rent is usually paid weekly or monthly.

SRO buildings are subject to some regulations to which other residential buildings are not. For example, SRO buildings must provide one toilet, one washbasin and one bath or shower for every six SRO units. In addition, every floor where tenants reside must have bathroom facilities. Each room has a maximum occupancy of two adults, no residents may be younger than 16 years old, and each sleeping room must have at least one window that faces outside. Building managers of SROs are required to reside in the building. The NY State Division of Housing and Community Renewal (DHCR) regulates rents for most SRO buildings. For more information on regulations governing SROs, call HPD's SRO Compliance Unit at (212) 863-8515.

SRO building owners who wish to alter the number of rooms, transform rooms into apartments or alter the number of kitchen and bathroom facilities must first receive a

Certificate of No Harassment from HPD. For more information, view the regulations regarding Certificates of No Harassment or call HPD's Housing Litigation Division at (212) 863-8266.

- **What is the 80/20 Program?**

The 80/20 Program, sponsored by the New York State Housing Finance Agency, the New York City Housing Development Corporation (HDC) and the New York City Department of Housing Preservation and Development (HPD), uses tax-exempt bonds to create affordable housing for low-income tenants in generally desirable locations throughout the city. The use of tax-exempt bonds to finance the construction of large residential buildings in the city greatly reduces costs. In exchange for the low-cost financing, 20% of the apartment units are reserved for low-income tenants earning no more than 50% of area median income.

The apartments are not necessarily labeled "80/20" in advertisements, but would say "affordable housing."

- **How do I apply for an apartment created through the 80/20 program?**

Apartments created through the 80/20 Program and sponsored by the New York State Housing Finance Agency are advertised in the real estate section of local newspapers and on the web site of the New York State Division of Housing and Community Renewal (DHCR) at www.dhcr.state.ny.us. HDC- and HPD-sponsored 80/20 apartments are also advertised in local newspapers and on the agencies' respective web pages: www.nychdc.org and nyc.gov/hpd. Additionally, HPD has an Affordable Housing Hotline that describes available apartments and provides information on obtaining an application. Please call 311 for further information (311 can be accessed outside of New York City by dialing (212) NEW YORK).

- **Who can purchase a home developed through one of HPD's programs?**

Requirements vary. Some City-sponsored homeownership programs are limited to households that fall within certain income levels. Some require the purchaser to be a first-time homebuyer, defined as someone who has never owned a small home (one- or two-family home), co-op or condo for use as a primary residence. Applicants should also be credit worthy and able to qualify for a mortgage. There is a community preference for all City-sponsored homes.

- **What is a community preference?**

HPD gives preference for either the sale or rental of 50% of all homes, co-ops, condominiums and rental apartments it creates or rehabilitates to current residents of the community board district where the homes are located. All applicants must meet the individual program requirements to be eligible and be selected by lottery. The community preference was established to provide greater housing opportunities for long-time residents of New York City neighborhoods where HPD has made a significant investment in housing. Preference is also given to active duty uniformed

NYC police officers, people who are mobility impaired, and people who are vision impaired.

- **How can I purchase a City-sponsored home?**

HPD has developed several programs that enable New York's families to purchase new homes constructed on vacant City-owned properties or newly-renovated City-owned homes. City subsidies and other financing tools are used to make these homes affordable to low-, moderate-, and middle-income families. Applications are available from the developer or the marketing agent hired by the developer to market the homes. The contact information for any developer that is currently accepting applications is available at HPD's web site, nyc.gov/hpd. Developers of City-sponsored homes and apartments are required by HPD to advertise in a New York City metro daily paper, a community newspaper where the homes/apartments are located, and an ethnic newspaper. HPD does not provide applications for homes sold through City-sponsored programs. Purchasers for the homes are selected through a lottery supervised by HPD.

Many people have expressed interest in buying a dilapidated building and fixing it up themselves. HPD does not sell buildings in dilapidated condition to the general public. Occasionally, we sell a building at market value when we have buildings in better physical shape. Current tenants in good standing are given the first opportunity to purchase their building. If the tenants are not interested or not able to purchase, the building is offered to the general public through a Request for Offers process as part of the Asset Sales program. Those interested should call (212) 863-7337.

- **How does the lottery process work?**

One week after the application deadline, the developer for the homes and an HPD representative go to the Post Office to retrieve all of the completed applications received within the application period. Both parties take the sealed applications to a separate location, mix them by hand and empty them into a large bag. During the lottery, the developer randomly draws the sealed applications from the bag, and assigns a matching number to the envelope and the application inside the envelope. Relevant information from the application, such as applicant's name, address, family size, income and Community Board district, is entered onto a log sheet. This process is repeated until the number of applications opened and recorded in the log equals at least 20 times the number of apartments/homes available.

- **What happens after the lottery is completed?**

After the drawing, the developer schedules interviews (in numerical order of the log sheet) with prospective homeowners. To make the process more efficient, HPD strongly recommends that the developer interview applicants who meet the various preference requirements (resident of Community Board district where development is located, active duty uniformed NYC police officers, mobility impaired, vision impaired) prior to interviewing other applicants.

All applicants must meet the individual program requirements to be eligible and receive the community preference. No application fee or broker fee is required. If an applicant passes the interview, the developer may require a fee to conduct a credit check on the applicant.

- **How long does the interview process for purchasing a home take?**

Generally, the interview process is completed within one month after the application deadline. Due to the large volume of applications submitted for each development, only applicants selected for an interview will be called regarding the status of their application. The same lottery process is used to select tenants for City-sponsored rental developments.

- **What does it mean if I don't receive a call requesting an interview?**

Applicants will not receive a call for an interview if 1) their application was not drawn before the developer reached the amount that corresponds to 20 times the number of homes/apartments available for sale or rent; 2) they did not meet the eligibility requirements for the program through which the home/apartment was developed, or 3) their application was received after the deadline.

- **How can I get a job at HPD?**

For HPD postings, visit this site's job postings page. To view a listing of all available City jobs, including those at HPD, visit nyc.gov or go to 100 Gold Street in Manhattan, room 8B.

- **How can I work as a volunteer with HPD?**

There are many volunteer positions available for community-oriented individuals seeking a challenging way to give back to New York. People interested in volunteering may send a letter and resume to HPD, Human Resources, 100 Gold St., New York, NY 10038, Room 8A, Volunteers Unit. Include an explanation of what you would like to do, how much time you have, your home address and your daytime area code and phone number.

MISSION STATEMENT

The New York City Department of Housing Preservation and Development (HPD) is the largest municipal developer of affordable housing in the nation. Since 1987, HPD has provided over \$5.6 billion to support the repair, rehabilitation and new construction of hundreds of thousands of units of housing. Over the next five years, HPD plans to spend \$3 billion in continued support of housing preservation and community development activities.

HPD protects the existing housing stock and expands housing options for New Yorkers as it strives to improve the availability, affordability, and quality of housing in New York City. HPD has made a decisive shift away from City ownership of properties and has developed innovative community revitalization initiatives that promote private investment and productive public-private partnerships. HPD works with its governmental, community, non-profit and for-profit partners to strengthen neighborhoods, increase the availability of well-maintained, affordable housing and enable more New Yorkers to become homeowners.

Today, in great part due to the work of HPD, the vacant and boarded-up buildings that were once a blight on many of the City's neighborhoods have been transformed into safe, affordable homes for families. Once-abandoned lots now contain new townhouses, parks and gardens. Communities that were devastated not long ago are now vibrant, as commercial activity has returned and public safety initiatives have encouraged parents to allow their children to play outside. HPD's housing programs have helped to restore and rebuild housing as well as to improve the quality of life in New York City's richly diverse communities.

Mission Statement

Using a variety of preservation, development and enforcement strategies, HPD strives to improve the availability, affordability and quality of housing in New York City. As the nation's largest municipal housing agency, HPD works with private, public and community partners to strengthen neighborhoods and enable more New Yorkers to become homeowners or to rent well-maintained, affordable housing.

JOB OPPORTUNITIES

To view a listing of all available City jobs including those at HPD visit the www.nyc.gov or go to 100 Gold Street in Manhattan, room 8B.

HOUSING AND COMMUNITY DEVELOPMENT FELLOWSHIP PROGRAM

Program Description

This twelve-month program was created to introduce recent college graduates to housing and community development issues in New York City. The program exposes the participants to the inner workings of City government, while providing a forum for the exchange of fresh and current ideas with those who shape HPD's housing policy. Housing- and community-development-related tours further enhance the fellowship experience.

Fellows work for four months in three different offices of their choosing at HPD, allowing them to learn firsthand about the agency's innovative efforts to revitalize New York City's neighborhoods through new construction, renovation, code enforcement, litigation, and outreach and loans to private owners. Supervisors are encouraged to act as mentors to the Fellows, providing them with guidance and exposing them to high-level and inter-governmental meetings. The 2004-2005 Fellowship begins on September 7, 2004.

Activities

To complement and enrich their work experience, Fellows attend a variety of housing-related events which help them acquire a more complete understanding of the agency's work in the community. Recently, Fellows toured supportive housing sights in New York City, accompanied HPD's code inspectors investigating complaints in the field in Brooklyn, participated in an international design workshop to formulate new plans for a former industrial site, toured East Harlem and Bedford-Stuyvesant development sites, and visited New York Housing Court.

Requirements

Applicant must be a recent college graduate with a bachelor's degree, and have excellent writing, analytical, and interpersonal skills. Demonstrated interest in government and housing preferred. Selected applicant must become a resident of New York City within ninety days following the start of employment.

Salary & Benefits

\$32,000 a year with health care benefits beginning three months after the start of employment.

An application is available online at www.nyc.gov/hpd. Completed application packages-including transcripts, recommendations, writing sample, resume, and personal statement-should be delivered to 100 Gold Street, Room 5A4, by February 12th, 2004.

Approximately 10-15 applicants will be invited to be interviewed at 100 Gold Street in mid March, 2004, and the three applicants will be selected and notified in April.

For More Information Please Contact

Fellowship Coordinator
Housing & Community Development Fellowship Program
NYC Department of Housing Preservation & Development (HPD)
100 Gold Street, Room 5-A5
New York, NY 10038

ph: 212-863-8002
fax: 212-863-7988
e-mail: glaserp@hpd.nyc.gov

ALUMNI ASSOCIATION

The HPD Alumni Association gives former employees the opportunity to remain involved in HPD's activities. Please visit www.nyc.gov/hpd to complete the online form for joining the HPD Alumni Association or send your contact information to:

Office of Communications / Alumni Association
NYC Department of Housing Preservation and Development (HPD)
100 Gold Street, Room 5-B
New York, NY 10038

DOING BUSINESS WITH HPD

The Department of Housing Preservation and Development (HPD) promotes the availability, affordability and quality of housing in New York City using a variety of preservation, development and enforcement strategies.

Much of this work is accomplished through the procurement of a variety of goods, services, and construction, which are generally obtained through a bid or proposal solicitation process.

The procedures for the procurement of small purchases vary significantly from those for large purchases, and each process is clearly defined in the City's Procurement Policy Board Rules. Small purchases involve procurement for: supplies with a value of not more than \$ 25,000; services with a value of not more than \$ 50,000; and construction/construction related services and Information Technology with a value of not more than \$ 100,000. Any procurement valued in excess of these amounts is considered a large purchase.

Vendors can now sign up for electronic funds transfer at www.nyc.gov/hpd. City payments will be deposited directly into a vendor's account of choice. Funds will appear in the account within two business days of processing.

Small Purchases

For housing maintenance and repairs as well as demolition small purchases, Contractors are selected from a pre-qualified panel of vendors established by the Contractor Compliance Unit (CCU) of HPD. To obtain pre-qualified status, contractors must complete appropriate forms and submit relevant licenses, references etc. to the CCU. For further information on how to get

onto the pre-qualified panel, contact the Contractor Compliance Unit at 212-863-7815. An application can also be downloaded at www.nyc.gov/hpd.

The pre-qualified panel is distinguished by various categories, depending on the type of work to be performed. A list of at least five randomly selected contractors is solicited unless the pre-qualified panel consists of fewer than five suppliers, in which case all the suppliers on the list are solicited. Awards are made to the lowest responsive and responsible bidders.

For purchases outside the pre-qualified panel, vendors are solicited through the NYC Vendor Enrollment Center. [To get on the mailing list for NY contract opportunities, visit the website at <http://www.nyc.gov/selltonyc> or call 212-857-1680, for further information. See also, How to Get on Mailing lists for New York City Contract Opportunities].

Large Purchases

Large purchases are awarded through the issuance of competitive sealed bids; negotiated acquisitions and requests for proposals. The most common form of large purchase procurement issued by the agency is via competitive sealed bids. Advertisements of contract opportunities are done via directly mailed notices, publication in the City Record Newspaper and on the World Wide Web. The NYC Home page is <http://www.nyc.gov> and HPD's Home Page is <http://www.nyc.gov/hpd>.

Contractors are also solicited through the Citywide Vendor's List maintained by the NYC Vendor Enrollment Center. [To get on the mailing list for NY contract opportunities, visit the website at <http://www.nyc.gov/selltonyc> or call 212-857-1680, for further information. See also, How to Get on Mailing lists for New York City Contract Opportunities]. Once included in the City's database, HPD will notify contractors of upcoming contract opportunities. Demolition contractors, however, are solicited from HPD's Pre-Qualified Lists.

For some large purchases, Contractors may be required to submit bid security at the time of bidding. This requirement is described in the particular bid package. Most contracts for which bid security is required also require Payment and Performance Bonds upon contract award. In addition, there are insurance requirements for general liability coverage, worker's compensation and automobile liability. The 'Information for Bidders' document included in every bid package will clearly indicate the requirements of each solicitation. [See the Insurance Requirements section below. Contractors must factor into their bid prices all costs associated with applicable insurance and bonding requirements as well as factors of inflation.

Bid packages are available to contractors at a non-refundable cost of \$25.00. However, prospective contractors may review bid documents at the offices of HPD if they do not wish to purchase them.

Attendance at Pre-Bid Conferences is always strongly encouraged for all solicitations. Contractors are also reminded that bid opening times are strictly adhered to and that concessions are not usually granted for late submission of bids.

Submission of VENDEX and EEO documents may be required by apparent low responsive Bidders. See 'VENDEX' and 'Equal Opportunity (EO) Packages' for further details.

In many cases, when contracts are awarded to new contractors to HPD, a Post-Award Meeting is held where procedures for invoicing and payments, explanations and interpretation of purchase orders, performance expectations etc., are explained in detail.

HOW TO GET ON HPD'S VENDOR LIST

To obtain pre-qualification status for small purchases, contact the Contractor Compliance Unit, 100 Gold St., Room 6-S, New York, NY 10038. Hours of operation are 9:00 AM to 4:00 PM, Monday through Friday.

Download an application at www.nyc.gov/hpd. Applications must be completed by an owner or officer of the company.

PHONE NUMBER: (212) 863-7815

VENDEX

Local Law 5 of 1991 requires businesses to provide background information when they are being considered for an award of a contract valued at \$100,000 or more, a contract awarded on a sole source basis valued at \$10,000 or more, and/or if the aggregate City business of a contractor over the preceding twelve months totals \$100,000 or more. This information is collected from a contractor's response to the questions in the VENDEX questionnaires. A questionnaire may also be required to apply to a pre-qualified vendor list if the program determines that it is possible that a contractor may be awarded contracts in excess of \$100,000 in a twelve month period.

INSURANCE REQUIREMENTS

Suppliers of goods and services are required to indemnify the City against any liability arising from the contractual activities and to provide insurance against such liability. The specific types of insurance policies required, their limits and terms, and the necessary proof of insurance to be provided will be spelled out in the contract documents. The City generally does not reimburse contractors for insurance premiums, so this cost must be built into the bid or proposal price.

HOW TO RESOLVE VENDOR PAYMENT ISSUES

If you are a contractor who has questions regarding the status of payment for work performed or other issues related to invoices, checks or vouchers you can call (212) 863-6531. If you are a Section 8 Owner or Managing Agent who has questions regarding the status of a monthly

Housing Assistance Payment you can call 917-286-4300. Questions relating to individual tenants, their approved monthly payment amounts, adjustments or comments that appear on the payment register should be addressed to the Owner Assistance Unit at 917-286-4300.

Vendors can now sign up for electronic funds transfer at www.nyc.gov/hpd. City payments will be deposited directly into a vendor's account of choice. Funds will appear in the account within two business days of processing.

BUSINESS OPPORTUNITY PROGRAM

The HPD Office of Community Partnerships offers the Business Opportunity Program to provide information and counseling to businesses about HPD and other NYC contract opportunities. The Business Opportunity can accommodate the individual needs of property owners, business owners and community representatives. Participants also receive a Business Opportunity Package containing pertinent information.

To schedule an appointment to attend a Business Opportunity Session, please call:

PHONE NUMBER: (212) 863-7931

PRE-AWARD CONFERENCES

Weekly Pre-Award Conferences inform contractors of the equal opportunity, labor, business outreach, and fair housing mandates included in agency contracts. The conferences are required of prime and lower tier contractors entering into contracts or loan agreements with the agency.

PHONE NUMBER: (212) 863-7931

CONTRACTOR TRAINING PROGRAM

The HPD Office of Community Partnerships offers the Contractor Training Program to help construction entrepreneurs to learn the business skills needed to run a successful company. The Program is a 12-week, one evening per week seminar on such topics as Construction Estimating, Accounting for Your Small Business and Public/Private Sector Opportunities. Participants are required to complete a Business Plan to graduate. The curriculum and application for the Contractor Training Program are available at www.nyc.gov/hpd

PHONE NUMBER: (212) 863-7931

EQUAL OPPORTUNITY (EO) PACKAGES

The Labor Standards Unit of the Division of Architecture, Construction and Engineering is responsible for processing the equal opportunity documents, commonly referred to as the EO package. The EO package verifies a firm's awareness of equal opportunity, labor standards, fair housing and Section 3 provisions (federal) which are incorporated in the awarded contract. The EO package is a requirement of all prime and lower tier contractors.

The submitted documents are reviewed for completion. If the firm is found to be in compliance, an EO contract clearance document is generated and issued for contract registration. In addition, a representative of the contracting firm attends a Pre-Award Conference once every two years. Questions regarding EO clearances should first be directed to the HPD program area with which contractors are working.

PHONE NUMBER: (212) 863-7137

ENFORCING LABOR STANDARDS

Labor Standards is a general term for a group of federal, state and local laws and regulations regarding such issues as health and safety standards, the minimum wage hours of work, overtime, child labor, record keeping and prevailing wages. The Labor Standards Unit monitors agency (HPD) projects for compliance with the Labor Standards and Equal Opportunity Provisions, including Federal (Davis-Bacon) and City and State (Section 220, 230) wages.

LSU investigators conduct site visits to gather data on wages, hours of work and other employment conditions. Staff reviews payrolls, investigate complaints, and make referrals to the Comptroller's Office and the U.S. Department of Labor.

Recently the Division instituted a procedure prohibiting contractors from bidding new contract(s) if prior underpayments are outstanding. This policy has assisted in the contractor being more responsive in resolving their issues.

Contact the Labor Standards Unit for information relating to Equal Opportunity Documents, Labor Standards, wage rates, or to file a complaint.

PHONE NUMBER: (212) 863-7137

LEASING COMMERCIAL SPACE

The Commercial Leasing Unit is responsible for leasing commercial spaces in City-owned properties under HPD jurisdiction.

PHONE NUMBER: (212) 694-3163

SECTION 1: CREATING NEW HOUSING OPPORTUNITIES

PROVIDING AFFORDABLE HOUSING

AFFORDABLE HOUSING HOTLINE

When apartments created under HPD's affordable housing programs are ready to be rented or sold they are advertised in both local and major newspapers. The apartments are also listed on HPD's Affordable Housing Hotline, which you may reach by calling 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK).

If you would like to receive an e-mail when the New York City Department of Housing Preservation and Development has updated its web content concerning apartment and home listings for City-sponsored housing in the five boroughs, please register for this feature at www.nyc.gov

The New York City Housing Development Corporation (HDC) also has a variety of programs that finance the development of low-, middle-, and mixed-income apartments. For more information, visit the apartment-seekers section of the HDC Web site.

Supportive Housing:

The Supportive Housing Network of New York provides a list of SRO units and studio apartments operated by non-profit agencies which provide some level of on-site supportive services. The majority of the units are for single individuals who are currently homeless in the NYC shelter system and/or who have a disability. Call the Supportive Housing Network at (212) 870-3303, ext. 0 for a New York City Intake List. There are very few vacancies.

MITCHELL-LAMA HOUSING

There are 132 City-sponsored, moderate- and middle-income rental and limited-equity cooperative developments in New York City which contain approximately 54,000 units, known as Mitchell-Lamas. HPD supervises waiting lists, management issues, and has other oversight responsibilities for 50 Mitchell-Lama developments; an additional 82 developments have shared supervision by HPD and the Federal Department of Housing and Urban Development.

There are approximately 94 Mitchell-Lama buildings in the City, which contain approximately 65,000 units, that are supervised by the State Division of Housing and Community Renewal (DHCR).

Mitchell-Lama apartments are sold or rented through waiting lists kept by each development. Many Mitchell-Lama waiting lists are closed because there are already enough applicants

listed to fill vacancies expected in the foreseeable future. Periodically, these developments open their waiting lists and new applications are accepted based on a lottery system. Mitchell-Lama developments must advertise when they open their waiting lists. Check your local newspapers to find out when applications are being accepted.

For City-Sponsored Mitchell-Lamas:

PHONE NUMBER: (212) 863-6500

For State-Sponsored Mitchell-Lamas:

PHONE NUMBER: (212) 480-7343, or write to the Division of Housing and Community Renewal at 25 Beaver Street, New York, NY 10004

SENIOR CITIZEN RENT INCREASE EXEMPTION PROGRAM (SCRIE)

Through the Senior Citizen Rent Increase Exemption Program (SCRIE) people 62-years or older with yearly incomes below \$24,000 may be eligible for exemption from all or some increases in rents, carrying charges, capital assessments or voluntary capital contributions. Depending on the type of housing in which you live, you may be eligible for assistance:

- Senior citizens who live in Mitchell-Lama and Redevelopment Company developments, Article XI co-ops established under the Private Financing Housing Law, and Federally-assisted co-ops can call (212) 863-8494 for information.
- Senior citizens who live in rent-regulated apartments should call the City’s Department for the Aging at (212) 442-1000 for information about SCRIE.
- Senior citizens who own homes, condominiums or private non-governmentally supervised co-ops may be eligible for the Senior Citizen Homeowner Exemption Program, which is administered by the New York City Department of Finance through the Assessor-in-Charge in each borough office.

Senior citizens who lease apartments that are not rent regulated are not eligible for SCRIE benefits.

You may download the SCRIE application at www.nyc.gov/hpd. To obtain more information about the Senior Citizen Homeowner Exemption Program, you can call an assessor at one of the numbers listed below.

Assessors-in-Charge

BOROUGH	ADDRESS	TELEPHONE NUMBER
Bronx	1932 Arthur Ave.	(718) 579-6879
Brooklyn	210 Joralemon St.	(718) 802-3560
Manhattan	Rm. 912, Municipal Bldg.	(212) 361-7660
Queens		(718) 658-4608
Staten Island	350 St. Marks Pl.	(718) 390-5295

SECTION 8 RENTAL ASSISTANCE – INFORMATION FOR TENANTS

What is Section 8?

Section 8 is a federally funded housing subsidy program that provides low-income families the opportunity to choose and lease safe, decent and affordable privately owned rental housing by supplementing what they could afford on their own. Public Housing Authorities apply to the U.S. Department of Housing and Urban Development (HUD) for Section 8 funds, which are then provided to eligible families in accordance with HUD rules and regulations.

In New York City, there are two Public Housing Authorities that provide Section 8: HPD and the New York City Housing Authority (NYCHA). In addition, the New York State Division of Housing and Community Renewal (DHCR) administers a state-wide Section 8 program, including New York City. Each Authority awards vouchers and administers the program separately and distinctly.

2004 Section 8 income limits:

Household Size	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Income Limits	\$35,150	\$40,200	\$45,200	\$50,250	\$54,250	\$58,300	\$62,300	\$66,300

Who Receives HPD Section 8?

HPD currently administers vouchers for approximately 26,000 households, including those who receive project-based assistance. HPD has currently leased slightly more than 100% of the vouchers allocated for 2004, and does not anticipate issuing any additional vouchers this year. Since NYCHA is the primary public housing authority, HPD generally targets its Section 8 assistance to very specific categories of New Yorkers. These categories currently are:

1. Homeless Households: Households that have a primary nighttime residence that is either:
 - o A publicly or privately operated shelter in HPD's jurisdiction designed to provide temporary living accommodations, including shelters operated by DHS and HRA and designated by HPD as eligible to receive vouchers; or
 - o The home of another household in HPD's jurisdiction that is allowing the applicant to reside temporarily provided that the applicant has been classified as homeless by HPD's Emergency Housing Services Bureau.
2. HPD Funded Renovation: Households that are residing in a building owned by the City of New York or by an entity designated by the city to achieve its housing goals, and is in need of substantial renovation. The voucher will be issued to allow the applicant to locate permanent, alternate housing.
3. In Place: Households residing in buildings that have been developed (newly constructed or renovated) with financial assistance from HPD or buildings for which HPD maintains regulatory responsibility. To be eligible for this preference, applicants must maintain a current rent burden of more than 30% of their annual household income and have their application referred by HPD program staff. Rent will be considered as the amount the applicant is contractually bound to pay the owner plus utilities not included in the rent.

4. Family Unification Program: Households for whom New York City's Administration for Children's Services has certified that the household is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care, or in the delay of discharge of a child, or children, to the family from out-of-home care.

What are Enhanced or "Sticky" Vouchers?

HUD has provided special Section 8 Enhanced Vouchers to protect the residents of rent-regulated apartments with federal assistance, when owners pre-pay federal loans to opt out of such programs, or opt not to renew project-based Section 8 contracts. Enhanced Vouchers, also known as Sticky Vouchers, differ from standard vouchers in several ways:

- Special allocation – the vouchers are designated specifically for the residents of the affected units
- Higher Income Limits – the income eligibility standards for Enhanced Vouchers are 95% of the Area Median Income, as opposed to the 80% limit for standard vouchers, shown above
- Higher Payment Standards – the rents for Enhanced Vouchers are not limited to the HPD Payment Standard, but can be up to reasonable, market rents for the units affected
- Different Minimum Tenant Shares – Enhanced Vouchers are designed to protect residents, not confer a benefit, so the minimum rent that an Enhanced Voucher participant pays is the tenant's payment prior to conversion

These differences for Enhanced Vouchers apply only while the participant household resides in the housing development that converted. If the household moves outside the affected development, the Enhanced Voucher reverts to a standard Section 8 Housing Choice Voucher.

How HPD's Section 8 Program Differs From NYC Housing Authority's

While HPD operates a targeted Section 8 program specially designed to help needy New Yorkers faced with particular housing situations, NYCHA has historically operated a much larger program with a broader focus. NYCHA's program has been in existence since the inception of the federal Section 8 program in the 1970's and serves more than 85,000 households. Currently, NYCHA has closed its primary waitlist, and only accepts Section 8 applications through special programs - from the homeless, victims of domestic violence, and participants in witness protection programs.

Questions about obtaining Section 8 should be directed to NYCHA, which has a central office at 250 Broadway, Manhattan and borough offices around the city. Contact the City's Citizen Service Center at 311 for more information.

Information And Assistance For Existing Tenants In HPD's Section 8 Program

Tenants who are now receiving Section 8 benefits through HPD can reach their case manager by calling the Section 8 Information Hotline at 917-286-4300 for assistance.

Family Self-Sufficiency (FSS) Program

The Family Self-Sufficiency (FSS) program is available to all Section 8 households. It offers a variety of services to help families achieve economic self-sufficiency. If you would like to receive information about enrolling please contact 917-286-4300 and follow the options for the FSS program.

Annual Recertification

HPD reexamines family income and composition of all households at least annually. The annual reexamination determines the continued eligibility of a Section 8 participant and establishes the housing assistance payment to be made on behalf of the family.

Each year, HPD will send a recertification package to Section 8 families approximately 90 - 120 days prior to their annual reexamination date. The package must be completed within the timeframe specified and returned to HPD for processing. Families that have questions concerning their recertification may call the Section 8 Hotline at 917-286-4300 to speak with their case manager.

Families are also required to report interim changes in income (both increases and decreases) and family composition in a timely manner. Failure to comply with this requirement may result in termination from the program.

What Do I Do If My Section 8 Payments Stop Coming?

On behalf of HPD, the New York City Office of the Comptroller issues monthly checks to owners. If these payments are terminated, the most likely cause is that the tenant or the apartment were found to be no longer eligible for subsidy, in which case both the owner and the tenant will receive a written notice from HPD. Owners with questions about their payments should call HPD's Section 8 Hotline at 917-286-4300.

What Size Apartment Is My Family Eligible For?

Apartments selected by eligible families must be the appropriate size for the family composition. The federal rules require no more than 2 persons per sleeping area. The precise determination of the appropriate sized unit depends upon the relationship, age and gender of the household members. Children of the opposite sex over 3 years of age must not be required to share the same room. The general standards are:

Bedroom Size	SRO	0 (Studio)	1	2	3	4	5	6
Minimum Number of Persons	1	1	1	2	4	6	8	10
Maximum Number of Persons	1	2	4	6	8	10	12	14

As noted above, apartments selected by eligible families must also pass an on-site inspection each year. If an owner fails to correct housing quality violations or a tenant damages the apartment or prevents the owner's access to the apartment to make repairs, the Section 8 subsidy payment may be terminated.

Apartments must also be reasonably priced with consideration to quality and amenities to ensure that the federal government does not pay more than the apartment is worth in the private market. The maximum allowable rents are determined by HUD, which establishes rents at close to the average of all rents in the particular area and by HPD, which establishes payment standards between 90 and 110% of the HUD established rent. Below are the current payment standards for HPD's program.

Section 8 payment standards as of October 1, 2003:

Number of Bedrooms	0 (Studio)	1	2	3	4	5	6
Maximum Rent (Including Gas and Electricity)	\$933	\$1,038	\$1,180	\$1,476	\$1,654	\$1,903	\$2,153

Housing Quality Standard (HQS) Inspection

HPD is required to perform an HQS inspection of all Section 8 apartments before entering into a housing assistance payment contract with an owner and at least annually. The inspection confirms whether an apartment meets minimum physical standards established by HUD.

All Section 8 families are required to provide access to HPD employees to allow them to perform the inspection. This is a program obligation that is listed on the voucher. A family that repeatedly fails to provide access may be terminated from the program.

Through the annual inspection process, HPD ensures that Section 8 units meet the HQS guidelines by requiring owners to correct deficiencies with a specified timeframe. Special or complaint inspections are also performed on occasion. If you believe that there are HQS deficiencies in your apartment and your landlord has not indicated that he/she will correct them, you may call (917) 286-4300 to report the problem.

Can I Move with My Voucher?

Families receiving Section 8 voucher assistance may not move during the initial term of their lease except in very limited circumstances as approved by HPD. Thereafter, families are entitled to move once every twelve months. A Section 8 housing choice voucher is portable which means that a family may move anywhere in the United States where a Section 8 program is administered.

Families that would like to receive further information on moving opportunities and requirements should call Section 8 at (917) 286-4300.

Section 8 Homeownership

The Section 8 Homeownership Program is a component of the housing choice voucher program. It assists first-time homebuyers with their monthly homeownership expenses through a housing assistance subsidy.

HPD is currently implementing a pilot phase of the homeownership program through a partnership with a non-profit housing provider. The program is limited to families already receiving Section 8 rental assistance and participating in the agency's Family Self-sufficiency program. For further information about enrolling, please call (917) 286-4300.

Calculating Tenant Payments

For all tenants who find an apartment at or below the approved Payment Standards, the HUD formula requires the Section 8 recipient to pay the higher of

- 30% of adjusted income,
- 10% of gross income, or
- a minimum payment of \$50

Most eligible families in HPD's program pay 30% of adjusted income. It is important to note that the adjustments to income do not include taxes, FICA, or the other automatic deduction to wages, nor do they include child support payments made by household members.

For tenants receiving Temporary Assistance for Needy Families, or TANF, the tenant rent is determined by the administering agency, Human Resources Administration (HRA) in conjunction with the State of New York, which establishes a special schedule. This schedule is designed to ensure that the tenant's share of rent is equal to the housing grant that HRA allows.

Why Do Some Tenants Pay More Than 30% Of Income Towards Rent?

If a tenant finds an eligible apartment for equal or less than the established payment standard the tenant would not be required to pay more than 30% of his or her income for rent. However, if a tenant locates an apartment with a rent higher than the payment standard, they are required to pay the difference out of their own pocket. In other words, the tenant is required to pay his or her regular payment (30% of adjusted income or 10% of gross income) plus the amount by which the contract rent exceeds the approved standard. In no event, however, shall a tenant be allowed an initial lease for an apartment that would require them to pay in excess of 40% of their income.

SECTION 8 RENTAL ASSISTANCE – INFORMATION FOR OWNERS

Quick Assistance for Owners Participating in the HPD Section 8 Program:

Building owners and managers with questions or problems should call the HPD Section 8 Information Hotline at 917-286-4300 and request the case manager for their tenants with issues. HPD has re-organized its case management into teams based on owner portfolios, so that landlords who rent to more than one Section 8 household will have a single case manager for all their tenants.

How does an owner participate in the Section 8 program?

Property owners interested in leasing apartments to HPD Section 8 voucher clients may call HPD's Section 8 Apartment Finders Unit at 917-286-4300 to obtain additional information about the program and how to lease to Section 8 clients. Since HPD will not be issuing new vouchers in 2004, new leasing will be limited to existing participants who move.

What benefits does HPD Section 8 offer to owners?

- Guaranteed monthly rent payments at market rents
- Low vacancy rates
- Annual inspections by HPD at no cost to ensure maximum property upkeep

What are the Owner's Responsibilities under Section 8?

- Tenant selection and leasing based on a family's tenancy history
- Normal landlord functions during the lease term, e.g., maintenance, rent collection
- Collecting amounts due from family under the lease (tenant rent, security deposit, other tenant charges for damage to the unit)
- Compliance with equal opportunity requirements
- Paying for owner-supplied utilities and services
- Providing reasonable accommodation for persons with disabilities
- Notifying HPD of rent increases and when a tenant vacates an apartment

How should an Owner Apply for a Rent Increase?

Owners may apply to HPD to increase rents in accordance with New York housing laws and regulations. Rent increase requests should be sent to:

Attn.: Rent Increase
Rent Subsidies Unit
100 Gold Street, Room 1-M11
New York, NY 10038

Rents requested must be reasonable. Owners may not charge Section 8 tenants more rent than non-subsidized tenants. Rent increase requests must show that rents for Section 8 tenants are reasonable and do not exceed those of others:

- If the building is rent regulated, send the Unit's DHCR lease renewal form.
- If the building is not regulated under the Rent Guidelines Board, send copies of leases for comparable units in the building. If there are no other units in the building, obtain

comparable unit quotes in the area from a NYS licensed broker and send them with your request to the address above.

What if an Owner has a Problem with an HPD Section 8 Subsidized Tenant?

Owners have the same responsibilities for managing their leases and property with tenants subsidized under Section 8 as they do for non-subsidized tenants. Tenants may not damage the unit or otherwise violate their leases. Tenants must pay their portion of the rent in a timely fashion. Just as owners are responsible for enforcing the terms of their leases with non-subsidized tenants, owners must enforce the terms of their leases with Section 8 tenants.

If an owner has difficulty enforcing the terms of the lease with a subsidized tenant, for example, tenant-caused damage, housekeeping problems or non-payment, contact the tenant's case manager at 917-286-4300 and document the problem. HPD will review the matter and, if necessary, warn tenants to uphold their responsibilities under the lease. Serious and repeated violations of an Owner's lease are grounds for termination of a tenant's Section 8 benefits.

Owners may NOT hold Section 8 tenants responsible for the HPD portion of the rent. If you have a payment problem with the HPD portion of the rent, do not attempt to collect it from the tenant. Instead, contact the HPD at 917-286-4300.

Owners are not required to renew Housing Assistance Payment Contracts for tenants subsidized under the HPD Section 8 program, other than rent-regulated and conversion units. Owners are required to notify HPD 60 days prior to the end of lease term of their intention not to renew the HAP Contract. Tenants would then be given a voucher to move, or they may opt to stay and give up their subsidy.

What are Housing Quality Standards (HQS) under Section 8?

Units are inspected by HPD prior to lease up and re-inspected on an annual basis to ensure compliance with federal Housing Quality Standards (HQS). These standards are a minimum basis for habitability and must be maintained for the owner to receive monthly Housing Assistance Payments. There are 13 performance requirements for HQS, in addition to local requirements. The following list includes the performance areas for HQS, and an example of the standards that must be met. The list below illustrates examples of Housing Quality Standards. To see a complete list of Housing Quality Standards, please go to the HUD website at <http://www.hud.gov>

HQS Performance Area	Example of Performance Standard
Sanitary Facilities	Toilets must be operable
Food preparation and refuse disposal	Appliances for food preparation, stove and refrigerator, must be proper operating condition
Space and security	Exterior doors must be lockable
Thermal Environment	Unit must have adequate heat
Illumination and electricity	Electrical fixtures and wiring must not pose a fire hazard
Structure and Materials	The building and unit must be structurally sound
Indoor Air Quality	Unit must be free of air pollutant levels that threaten occupant health
Water Supply	The water supply must be operable and free of contaminants

Lead-Based Paint	The unit must conform to laws and regulations regarding lead-based paint and occupancy by children
Access	The building must provide alternate means of exit in case of fire
Site and Neighborhood	The site must be free of danger to the health and safety of the occupants, e.g. flooding and landslides
Sanitary Condition	The unit must be free of vermin and rodent infestation
Smoke Detectors	The unit must have operable smoke detectors sufficient to comply with National Fire Protection Association Standards 74
Local Requirements	The unit must have Window Guards for children under 6 years old

If a unit fails an HQS inspection, the inspection form will identify what specific violations were found, and whether the violations are the responsibility of the owner or the tenant. A re-inspection is automatically scheduled for the 30th day from the date of the violation. The owner or tenant must correct the deficiencies within that 30 day period. If additional time is required to correct the problem, an extension of the deadline must be requested from the HQS Unit at 917-286-4300.

If an owner fails to correct HQS violations within the 30 day period or any HPD approved extension, HPD MUST abate the Housing Assistance Payment until the violations are corrected. Chronic or serious HQS violations may result in the termination, suspension or reduction of housing assistance payments (HAP) or the termination of the HAP contract. The owner is not responsible for tenant-caused breaches of HQS.

Tenants are responsible for maintaining HQS and HPD will hold them responsible for damage or violations that cause a unit to fail inspection. HPD generally holds tenants responsible for the following HQS violations:

- Nonfunctioning smoke detectors (battery-operated, battery dead)
- Nonfunctioning smoke detectors (electric, tenant pays electrical utilities)
- Missing smoke detectors (smoke detector was present on initial or last annual inspection)
- No electricity (tenant pays electrical utilities)
- No gas (tenant pays gas utilities)
- Double cylinder lock on exit door
- Illegal gates on fire escape windows
- Debris that blocks access to exit doors or fire escape windows
- Kitchen grease that constitutes a fire hazard
- Damage caused by tenant or tenant's guest

What Can I Do To Make Sure I Get Paid On A Timely Basis?

One of HPD's primary responsibilities is to ensure that monthly Housing Assistance Payment checks are issued accurately and on time each month. In order to assist HPD in this role, owners should be aware of the following important information.

First, in order for checks to be issued, the owner must submit a copy of the deed for that property. If a managing agent is authorized to conduct business on the landlord's behalf, a copy of the agreement between the owner of record and the agent must be presented. Deeds should be forwarded promptly to the return address on the HPD letter in which the deed was

requested. Any questions or concerns regarding the submission of a deed should be directed to the Owner Registration at 917-286-4300.

Second, checks cannot be issued without a special "Substitute W9 form" (see below) which calls for a valid Taxpayer Identification Number (TIN). This form must be completed by the owner of record and cannot contain the TIN for another party, e.g., the manager. In addition, each TIN must be associated with only one taxpayer name and one taxpayer address, otherwise, the City's system will not allow a check to be processed. Substitute W-9 forms should be forwarded promptly to the return address on the HPD letter in which this was requested. Any questions or concerns regarding Substitute W-9 form should be directed to the Owner Registration at 917-286-4300.

Rent subsidy payments are issued by the New York City Comptroller's Office on behalf of HPD. Payments will not be issued to owners who have an outstanding lien with any division of the City of New York, e.g., tax liens, parking fines, etc. Owners with questions about an outstanding lien may call the NYC Department of Finance Taxpayers Assistance unit at (718) 935-9500.

FAMILY SELF-SUFFICIENCY PROGRAM

The Family Self-Sufficiency Program (FSS) assists households receiving Section 8 subsidies from HPD to become economically independent. The FSS Program offers participants the opportunity to accumulate substantial savings that result from earnings increases, and are available to participants upon successful graduation from the program. In addition, the FSS Program provides referrals for vocational education, GED and English as a Second Language classes, continuing education courses, and employment counseling.

HPD's FSS Program is only available to tenants receiving Section 8 issued by HPD. Tenants receiving Section 8 from the New York City Housing Authority or the New York State Division of Housing and Community Renewal should contact those agencies for information about their FSS programs.

PHONE NUMBER: 917-286-4300

NEW HOME CONSTRUCTION/REHABILITATION

Information about affordable homeownership options is available by visiting www.nyc.gov/hpd or calling 311 to request a homeownership kit. 311 can be accessed outside of New York City by dialing (212) NEW YORK.

NEW FOUNDATIONS

New Foundations is a streamlined HPD homeownership program that provides developers with maximum flexibility and encourages the participation of small contractors and developers in creating affordable housing opportunities.

Under the program, sponsors purchase city-owned land and construct one- to four-family homes and/or cooperatives/condominiums to provide homeownership opportunities to moderate and middle-income families. When the sponsor purchases the land, they pay a negotiated amount in cash and deliver a note and mortgage for the remainder of the land's appraised value ("Land Debt"). Construction financing is provided through loans from private lenders and from developer equity. The City provides UDAAP Real Property Tax Exemption pursuant to Section 696 of the General Municipal Law.

Designated developers are responsible for the design, construction and marketing of the homes. The program offers no direct City subsidies; developers are responsible for obtaining or providing all necessary construction financing from private sources. HPD will work with developers to expedite required regulatory approvals. There are no income restrictions to homebuyers and no limitations on the rents that may be charged by homeowners for any rental units. Upon completion, the sponsor sells the homes to families who have agreed to occupy the home purchased. At least one unit in the home must remain owner-occupied for 20 years following the initial purchase of the house from the developer. The Land Debt is apportioned pro rata to each home built. Purchasers will repay the Land Debt attributable to their homes by delivering a subordinate mortgage to the City. The sum secured by the mortgage will decline by one twentieth of the original principal sum for each year of owner occupancy. Fifty percent (50%) of any resale or refinancing profit earned by a homeowner must be applied to reduce any Land Debt.

Call 311 to request a homeownership kit.

PARTNERSHIP NEW HOMES

HPD works with the State of New York and the New York City Housing Partnership (Housing Partnership) to create new homes throughout New York City for families earning between \$32,000 and \$75,000 a year. The program produces condominiums, single-family town houses and two- and three-family homes.

Developers are selected through a Request for Qualifications (RFQ) issued and advertised jointly by HPD and the Housing Partnership. To ensure that the completed buildings are affordable, the City may provide (depending on market conditions) a subsidy of \$10,000 per unit (i.e., \$30,000 for a three-family home), as well as the subordinated value of the City-owned land, in the form of a loan that evaporates over a 25-year period. All homes also receive a 20-year partial Real Property Tax exemption pursuant to Article 16 of the New York State General Municipal Law. Additional funding of up to \$15,000 per unit may be provided by the New York State Affordable Housing Corporation. The marketing of the homes to purchasers is carried out by local not-for-profit organizations that advertise the availability of the homes and review applications.

Under the Neighborhood Builder Program, small, locally based enterprises are provided with additional assistance to develop the capacity to complete the project. Depending on the builder's requirements, the Housing Partnership provides financial, marketing, cost estimating, legal and/or other support services. Seed loans for pre-development costs may also be made available.

Since the Partnership New Homes / Neighborhood Builder program began in 1984, HPD and the Housing Partnership have produced more than 15,000 units of homeownership housing. During that time, the City has invested more than \$161 million, which has leveraged a total of \$1.2 billion in other government and private financing.

Call 311 to request a homeownership kit. For refinancing information call Feline R. Lazarus at (212) 863-6404. Information about the Mortgage Services Request Procedure for the Partnership New Homes Program is available at www.nyc.gov/hpd

NEHEMIAH

Brooklyn Nehemiah Program:

Under the Brooklyn Nehemiah Program, HPD has worked with East Brooklyn Congregations (EBC), a consortium of over thirty congregations, over the past 15 years to construct nearly 3000 single-family homes in the East New York section of Brooklyn. To keep the homes affordable, HPD provides a subsidy of up to \$20,000 for each home. The sales prices of the homes range from \$105,000 to \$115,000. A 1-2 person family with a total annual income of between \$26,000 and \$70,920 is eligible. A family with three or more persons with a total annual income of between \$26,000 and \$82,740 is eligible. Planning and design are now under way for the development of 923 homes, including one-, two-, and three-family homes, in the Gateway Estates development at Spring Creek.

For information, you can call or write:

Nehemiah Housing Development Fund Company, Inc.
463 Hinsdale Street
Brooklyn, NY 11207
Phone: (718) 498-4041
Fax: (718) 498-8213

Note: These homes are sold out. New applications are not being accepted.

Bronx Nehemiah Program:

These homes are sold out.

Information about the Mortgage Services Request Procedure for the Nehemiah Program is available at www.nyc.gov/hpd

HOMEWORKS

Under this program, small, vacant City-owned buildings are completely rehabilitated by experienced builders to create one- to four- family homes for sale to individual homebuyers at market prices. There are no income limits for the buyers (in a majority of the homes), nor are there any income or price limits for any rental apartments. However, the builders generally work with lenders to provide mortgages with low down payments and the lenders take the income from the rental apartments into account in qualifying homebuyers for loans thus making many of the homes affordable to moderate- and middle-income buyers.

To make the program feasible, the City conveys the buildings to the builders at nominal prices and may also provide a subsidy in the form of a zero per cent, nonamortizing loan that evaporates over a period of six years. The City also provides partial tax abatement to homebuyers for a six-year period. Where the buyer does not require a subsidy there will still be a resale restriction.

Homebuyers are selected through lotteries that are carried out by the builders under HPD supervision. Preference for 50% of the homes is given to current residents of the communities in which the homes are located, and preference for 5% of the homes is given to uniformed members of the New York City Police Department. Homebuyers are required to occupy at least one unit in their homes as their primary residence.

In addition, some of the HUD-owned buildings that were acquired through foreclosure of federally insured Section 203(K) mortgages will be rehabilitated under the HomeWorks Program. A total of 23 homes, 21 in Harlem and 2 in East New York, were conveyed to Round III HomeWorks developers and will be marketed together with the city-owned HomeWorks homes.

Please note that HPD does not sell individual homes directly to individual buyers prior to rehabilitation. HPD works exclusively with experienced builders who are selected through a competitive process so that the homes can be completed promptly and conveyed to homebuyers in move-in condition.

PHONE NUMBER: For HomeWorks refinancing call David Kornbluh at (212) 863-6183. Call 311 to request a homeownership kit.

STOREWORKS

The purpose of the StoreWorks Program is to rehabilitate small, vacant, mixed-use buildings currently owned by the City and restore them to private ownership and active use. The buildings generally consist of a storefront at street level and one to eight apartments above. Rehabilitation of these buildings creates affordable rental housing as well as additional retail services and economic opportunities in various neighborhoods in Manhattan, Brooklyn, Queens and the Bronx.

This program is carried out in cooperation with the development arm of Neighborhood Housing Services of New York City (NHS), an experienced not-for-profit organization that acts as developer, oversees the design and construction, and markets the completed buildings to individual buyers. The rehabilitation is financed with loans from private lenders as well as partial financing from HPD. The City also provides partial tax abatement for a period of twenty years. There are limited restrictions on resale profits.

The buildings are priced at market levels, and there are no income limits for buyers, nor any price or income limits for renters of apartments or stores. In most cases, HUD 203(k) financing will be available. Buyers may be residential or commercial occupants or investors and are selected through a lottery carried out by NHS and supervised by HPD. Priority for 50% of the buildings is given to buyers who currently either reside in or conduct businesses in the neighborhoods where the StoreWorks buildings are located; and priority for the remaining buildings is given to New York City residents and those who plan to occupy the buildings.

A new round of StoreWorks with over 30 properties will be available in 2003. Please contact NHS for information or to be placed on a mailing list for the next round.

PHONE NUMBERS: Neighborhood Housing Services (NHS) Community Development Corp. at (212) 519-2528. For StoreWorks refinancing call David Kornbluh at (212) 863-6183. Call 311 to request a homeownership kit.

LOW DOWN PAYMENT MORTGAGE FINANCING FOR UNIFORMED POLICE OFFICERS (NYPD HOME)

Uniformed members of the New York City Police Department who have successfully completed their two-year probationary periods are eligible to participate in NYPD Home. Applicants must meet certain financial and credit requirements to be approved for a mortgage.

Lenders participating in NYPD Home offer 95% to 100% mortgage financing to police officers purchasing homes in New York City. The lenders also contribute up to \$3,500 per loan in closing costs.

Each purchaser is required to contribute a minimum of 3% to 5% of the purchase price of the home towards closing costs, depending on the type of property.

The home can be a condo, co-op, or one-, two-, or three-family home located anywhere within the five boroughs of New York City. The home must be your primary residence. Police officers who own other residential properties, except for vacation homes, are not eligible to participate.

Officers purchasing homes should call an NYPD Home participating lender:

- JPMorganChase
(800) 636-6395
- H.S.B.C.
(800) 537-8705

Most mortgages originated under NYPD Home will be sold to Fannie Mae, the nation's largest source of home financing. Mortgage amounts must be within Fannie Mae's conforming loan limits. The New York City Residential Mortgage Insurance Corporation (REMIC) will be providing low cost mortgage insurance.

Every purchaser is required to take a free homeownership counseling course, and, where applicable, a landlord-tenant education course.

Police officers with unsatisfactory credit profiles may be eligible to participate in NYPD Home after successfully completing a credit counseling program arranged by a participating lender.

As part of NYPD Home, qualified police officers will receive preference for purchasing homes in HPD-sponsored homeownership programs. Police officers who want to purchase HPD-sponsored homes through the following programs--Partnership New Homes, ANCHOR, Arverne, Nehemiah, and HomeWorks--can call 311 for information. Homes sold through these programs are also listed periodically in local newspapers.

ANCHOR

The ANCHOR Program is a neighborhood revitalization initiative that is creating over 300,000 square feet of new commercial/retail space and over 1000 units of middle-income housing on vacant City-owned land. ANCHOR uses a combination of Federal, State, City, and private funds to finance new retail space along targeted commercial corridors. HPD works with commercial banks, developers and community-based organizations to sell and redevelop vacant City-owned land, attract commercial businesses, and create employment opportunities in underserved areas. The ANCHOR Program includes several commercial corridors/sites that can accommodate commercial/retail or mixed-use buildings. (Bronx, Community Districts 1, 3, & 6; Brooklyn, Community Districts 3, 4, 13, & 16; and Manhattan, Community District 10)

PHONE NUMBERS:

information for developers - (212) 863-6091

information about available apartments - 311

LARGE SCALE DEVELOPMENT

The Large Scale Development Units in HPD's Office of Development foster residential, commercial/retail, and mixed-use development of City-owned land. The Unit develops comprehensive, community-based plans to transform vacant and underutilized City property holdings into privately-owned, mixed-use and mixed-income developments which help to strengthen and stabilize neighborhoods. The Units issue Requests for Proposals (RFPs) as part of a competitive process to select development teams to purchase, develop, and manage properties designated for large-scale development.

Large Scale Development projects in HPD's Division of Homeownership include:

- Arverne (Queens)
- Gateway Estates (Brooklyn)

PHONE NUMBERS:

information for developers - (212) 863-6277

information about available homes and apartments - 311

Large Scale Development projects in HPD's Division of Housing Finance include:

- Clinton (Manhattan)
- Cooper Square (Manhattan)
- Schaefer (Brooklyn)

For additional information about these projects, see HPD's Multi-Family New Construction Unit.

PHONE NUMBERS:

information for developers - (212) 863-6091

information about available homes and apartments - 311

CORNERSTONE PROGRAM

The Cornerstone Program is a multi-family new construction housing initiative. This initiative will create almost 3,000 new middle-income and market-rate housing units on vacant City-owned land, financed principally through private sources. Working in tandem with the Housing Development Corporation's New Housing Opportunities Program (New HOP), and other funding sources, HPD is encouraging the development of new homeownership and rental multifamily apartment buildings and townhouses. HPD has selected development teams for sites in northern Manhattan, the Bronx and Brooklyn through Cornerstone Requests for Proposals (RFPs).

PHONE NUMBERS:

information for developers - (212) 863-6091

information about available homes and apartments - 311

SECTION 2: PRESERVING PRIVATELY-OWNED HOUSING

HOUSING PRESERVATION PROGRAMS

In addition to its programs to dispose of the current inventory of *in rem* properties, HPD has developed a comprehensive initiative to address the City's at-risk housing stock. The Office of Housing Operation's Property Services integrates several preservation strategies to accomplish this goal and restore these buildings to viable status. These strategies include assessment of physical and financial needs of distressed properties, outreach to building owners to encourage code and tax compliance, expanded education and support services for owners, referral to a variety of loan programs to facilitate owner investment in their properties, targeted code enforcement and litigation activities, and targeted *in rem* actions that result in conveyance of properties directly to qualified third parties.

There are three paths to help owners preserve and maintain their properties: education, investment, and enforcement. Our goal is to empower responsible ownership by providing an array of tools to aid owners working in good faith, and to intervene aggressively where owners are unwilling to accept help.

HOUSING EDUCATION PROGRAM

A fundamental objective of Mayor Michael R. Bloomberg's \$3 billion housing agenda called "The New Housing Marketplace" is to invest in the City's neighborhoods for the next generation of New Yorkers. We need to preserve the City's aging housing stock with infrastructure improvements - new heating systems, roofs, windows - preventative maintenance, sound financial management, and compliance with housing rules and regulations. HPD's Housing Education Program (HEP) is pleased to offer a variety of training courses for owners, property managers, housing professionals, superintendents and tenants to achieve these objectives. HEP's core curriculum offers introductory and advanced courses in building management and systems maintenance.

Water and energy conservation seminars and heating plant maintenance courses supplement the core curriculum of building management and systems maintenance. We have added courses in ethics, fair housing and legal issues. We are also pleased to introduce multi-session courses in building finance and techniques of working with tenants.

Our use of video conferencing technology for our courses on Residential Property Management and Building Systems make them more accessible to more New Yorkers. Video conferencing enables us to reach more owners, prospective owners and managers because they participate in locations closer to where they work and/or live. Through video conferencing, we reach students in classrooms in the Bronx, Brooklyn, and Manhattan who watch and interact with a central studio/classroom located in Lower Manhattan.

HES has also expanded its programs to include lead paint certification courses endorsed by the Environmental Protection Agency (EPA). These courses are targeted toward lead paint abatement workers, supervisors, contractors, assessors and inspectors and are aimed at assisting them to comply with Title X and the City's lead law. Title X is a federal regulation that requires any organization or contractor who performs repairs or renovation work that disturbs the surface of lead paint to employ EPA lead certified personnel to plan, supervise and perform the work to abate lead-based paint. The EPA Lead Paint Certified Courses include Lead Safe Work Practices, Lead-based Paint Maintenance Train-the-Trainer, Lead Abatement Worker, Lead Abatement Supervisor/Contractors, Lead Paint Inspector, Lead Paint Risk Assessor, and HUD Lead-based Training for Remodelers and Renovators.

HPD's Housing Education Program offers seminars to owners and managers in order to educate them about the dangers of environmental hazards to children under its Child Health Initiative. We focus on dangers to children from lead-based paint, molds and fungi, mildew, and vermin infestation.

HPD invites you to take one of our classes or seminars. Let us work together to improve the quality of housing in New York City.

- Fundamentals of Residential Management Series
Courses on building management, finance, and tenant relations, and building systems
- Intermediate and Advanced Residential Property Management and Maintenance Series
Courses on management techniques, maintenance of building and physical plants, property laws procedures, ethics, fair housing, building finance
- Specialized Education Courses
Courses on anti-abandonment, building maintenance for youth, small residential property owners, local law #38/owners compliance
- Seminars
Courses on water and energy conservation, maintaining heat and hot water, and environmental health issues
- EPA Lead Paint Certified Courses
Lead safe work practices, lead based paint abatement worker and supervisor, lead paint inspector and risk assessor

Register on-line at www.nyc.gov/hpd or call 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK).

OWNER SERVICES PROGRAM (OSP)

HPD's Owner Services Program (OSP) reaches out to owners whose buildings are in need of help, offering them financial and management advice, as well as referrals for loans and other resources. OSP analysts work closely with owners to improve both the physical and financial health of their buildings, helping to reduce the risk of abandonment. OSP is designed to collaborate closely with HPD's Division of Anti-Abandonment borough office counselors and Housing Litigation Division attorneys to identify owners whose problems with finances, management or tenant relations require one-on-one or small group counseling. Depending on

the owner's individual needs and wishes, analysts are available for short-term counseling or more extensive, on-going assistance.

Owners' Night: An Evening Dedicated to Helping New York City's Property Owners:

Once a month, HPD staff travel to a different borough to host Owners' Night: An Evening Dedicated to Helping New York City's Property Owners. Learn about the availability of low-interest loans, free educational courses and free owner counseling. Visit www.nyc.gov/hpd for event details.

Free Video to Help Owners be Efficient about Heat and Hot Water in Residential

Buildings: Dealing with heat and hot water issues in residential buildings can be challenging, even for the most sophisticated building owners. To help with these problems, HPD offers interested parties an instructional video entitled, "Heat and Hot Water in Residential Buildings." The 35-minute video offers helpful advice on a variety of heat and hot water issues, and is available for free by calling the Owner Services Program at 212-863-5300.

Voluntary Repair Agreement (VRA) Program: HPD's Division of Anti-Abandonment oversees the Voluntary Repair Agreement (VRA) program for owners who want to correct conditions and remove Housing Maintenance Code violations from their buildings. More information is available at www.nyc.gov/hpd

PHONE NUMBER: (212) 863-5300

IDENTIFYING AT-RISK BUILDINGS

Through its Division of Anti-Abandonment, HPD has created Anti-Abandonment offices to serve the five boroughs. Staff in these offices identify buildings in distress, assess building conditions, and work with building owners to develop and implement appropriate actions to correct building problems.

ANTI-ABANDONMENT AREA OFFICES

HPD's Division of Anti-Abandonment has Borough Offices conveniently located in the Bronx, Manhattan, Brooklyn and Queens to serve residential property owners throughout the five boroughs. Staten Island owners are served through the office located in Queens. Residential property owners can visit the offices by appointment or as walk-ins to obtain information on HPD's Housing Education Program, low-interest loans, and correcting housing code violations.

Borough	Address/Telephone Number
Bronx	151 East Tremont Avenue (corner of Creston Avenue) Bronx, NY 10453 (718) 716-0210 Monday-Friday, 8 a.m. to 5 p.m.
Manhattan	94 Old Broadway (aka 3280 Broadway), 7th Floor New York, NY 10027 (212) 281-2475 Monday-Friday, 9 a.m. to 5 p.m.
Brooklyn	210 Joralemon St. Room 804 Brooklyn, NY 11201 (718) 802-4553 Monday-Friday, 9 a.m. to 5 p.m.
Queens/Staten Island	120-55 Queens Blvd., Queens Borough Hall, Ground Floor Kew Gardens, NY 11424 (718) 286-2758 Monday-Friday, 9 a.m. to 5 p.m.

NEIGHBORHOOD PRESERVATION CONSULTANTS

HPD contracts with a number of not-for-profit organizations, known as Neighborhood Preservation Consultants (NPCs), to provide early intervention, preservation and anti-abandonment services throughout the five boroughs. The NPCs also assist HPD in identifying and assessing at-risk buildings. For information concerning the NPC providing services in your area, call the appropriate Anti-Abandonment borough office.

LOAN PROGRAMS

HPD offers eligible owners a variety of low-interest loans for moderate to major renovations of vacant or occupied smaller buildings as well as buildings with more than 20 units. Only buildings with low and moderate rent levels are eligible for these loans. Real estate tax benefits may be available to borrowers.

Sometimes, these low-interest funds are combined with financing from a lending institution to provide a low-cost loan tailored to the owner's needs. Depending on the loan, borrowers may be required to make a cash payment toward the project's total cost as equity. The loan may cover limited acquisition or refinancing costs, but only if most of the loan is reserved for rehabilitation costs.

ARTICLE 8A LOAN PROGRAM

The Article 8A Loan Program provides rehabilitation loans to correct substandard or unsanitary conditions and to prolong the useful life of multiple dwellings in New York City. Rehabilitation is generally limited to the upgrading or replacement of major building systems with an emphasis on energy items. In general, loans cannot exceed the actual cost of rehabilitation. Loans are available in amounts of up to \$25,000 per dwelling unit with no maximum per building, subject to the availability of funds. Loans may not be used to refinance existing debt on the property.

To qualify for a loan the borrower must own the property or have a contract to purchase. Individuals, partnerships and corporations are eligible. Preference will be given to buildings that have been maintained in accordance with City's Housing Maintenance Code or where the applicant furnishes assurance that all work required to comply with the code will be completed. Building condition and finances must demonstrate a need for funds, and owners must be unable to obtain financing privately. The interest rate is 3% with repayment in equal monthly installments and there is a prepayment surcharge within the first five years of the loan. The term of the loan may not exceed 30 years or the useful life of the improvements, whichever is less. There is a non-refundable application fee of \$150.00 and a commitment fee equal to one (1%) of the loan amount payable at closing, plus a 1/2% legal fee. Non-profits are exempted from fees.

Loans are restricted to buildings occupied by tenants of low income. After rehabilitation, real property taxes may be eligible for abatement, and there will be no change in the rent regulation status (controlled, stabilized) of the units in the building. Where appropriate, rents may be adjusted to ensure repayment of debt service.

To download the 8A Loan Application, visit www.nyc.gov/hpd

PHONE NUMBER: (212) 863-6412

HOME IMPROVEMENT PROGRAM (HIP)

HIP was developed in cooperation with private banks to provide loans to help small homeowners improve their properties. HIP loans of up to \$20,000 are made to owner/occupants of one- to four-family homes located throughout the City. The City provides a grant that reduces the bank's interest rate to 2.5% or 5%, depending on the borrower's income.

To download the HIP Loan Application, visit www.nyc.gov/hpd

PHONE NUMBER: (212) 863-5300

SENIOR CITIZEN HOME ASSISTANCE PROGRAM (SCHAP)

In conjunction with the Parodneck Foundation, HPD provides loan assistance through the Senior Citizen Home Assistance Program (SCHAP). This program provides assistance in amounts up to \$30,000 for a single-family house, and up to \$25,000 per dwelling unit for 2-4 family houses to low- and moderate-income senior citizens age 60 or older who own and occupy one- to four-family homes. The loans vary from no-interest deferred loans to fully amortizing 3% interest loans.

PARODNECK FOUNDATION PHONE NUMBER: (212) 431-9700, ext. 300

SMALL BUILDINGS LOAN PROGRAM

The Small Buildings Loan Program provides loans for the moderate-to-gut-rehabilitation of buildings containing between one and twenty units. Properties must be at least 50% residential and must be privately owned. City Capital funds, loaned at 1% interest with a thirty year term, and/or Federal HOME Grant funds are combined with bank financing to produce a below market interest rate loan.

Eligible Applicants:

- For Profit owners, Not- for-profit owners, and homeowners
- Principals must have acceptable credit (no pending collection actions, foreclosures, etc.)

Eligible Properties:

- 1 to 20 units (includes owner occupied 1-4 unit properties)
- SROs
- At least 50% Residential
- Privately owned (developer may have building in contract of sale)
- All taxes must be current at the time of closing

Eligible Rehab Activities:

- Moderate or Gut Rehabilitation, vacant or occupied

- Generally in excess of \$15,000 per unit
- All necessary work to bring a building up to housing and building codes
- Commercial space (envelope only)

Financing:

- City Funding is blended with private financing
- City uses City Capital funds (1% with 30 year term) and/ or Federal HOME Grant Funds

Program Requirements and Conditions:

- For-profit owners must contribute 10% of project cost in equity
- Not-for-profit owners must contribute 2% of project cost in equity
- Apartments in buildings with 3 or more units are placed under the NYS Rent Stabilization system
- Rents are set at market rate
- Real property taxes may be eligible for abatement through the J-51 program, or for one and two unit buildings, through the 421-b program

PHONE NUMBER: (212) 863-6417

Download an application for Small Buildings Loan Program at www.nyc.gov/hpd

NEW PARTNERS PROGRAM

The New Partners Program provides loans to owners to renovate small buildings where a portion of the building is vacant, and units are in need of rehabilitation. The Program is especially focused on buildings with *existing commercial tenants* and *vacant residential space above*.

HPD will provide up to \$40,000 per unit for rehabilitation of units in buildings with up to 20 residential units.

Program Advantages:

- Below market interest rates
- Loan term of up to 30 years
- Loan program allows owners to add to the building's value
- Assistance in selecting and securing contractors and working with tenants
- Free classes available in all areas of property management

Eligible Applicants:

- For Profit and Not-for-profit owners
- Principals must have acceptable credit (no pending collection actions, foreclosures, etc.)

Eligible Properties:

- Owner occupied buildings with 1-4 units
- Buildings with existing commercial tenants and 1-20 vacant residential units, including "taxpayer" buildings
- Projects must be located in the Bronx, Brooklyn, Manhattan (north of East 96th Street and north of West 110th Street), Queens, or Staten Island
- All taxes must be current at the time of closing

Eligible Rehab Activities:

- Moderate or Gut Rehabilitation
- Renovation costs in excess of \$15,000 per unit
- All necessary work to bring a building up to housing and building codes

Non-profit Participation:

- In collaboration with the Program, nonprofit organizations will outreach to owners, and may assist in the development of rehabilitation plans and/or lease/manage residential units.

Program Requirements and Conditions:

- Borrowers must demonstrate that a New Partners loan is necessary because private market financing is not available for the proposed rehabilitation project or is not sufficient to complete the necessary scope of rehabilitation work
- Borrowers must agree to lease the rehabilitated units as affordable housing for tenants with incomes below 120% of Area Median Income and to maintain buildings with 3 or more residential units as rent stabilized units
- For profit owners must contribute 10% of the project cost in equity
- Not for profit owners must contribute 2% of the project cost in equity

PHONE NUMBER: (212) 863-6417

Download an application for New Partners Program at www.nyc.gov/hpd

PARTICIPATION LOAN PROGRAM (PLP)

The Participation Loan Program (PLP) provides low-interest loans to private owners for the moderate- to gut-rehabilitation of multiple dwellings with more than twenty units. City funds at one percent interest are combined with market-rate private financing to provide a below market interest rate. Funds may also be used for refinancing in conjunction with rehabilitation.

After rehabilitation, real property taxes may be eligible for abatement through the J-51 Program, and all apartments are placed under New York State's Rent Stabilization System. In vacant buildings, rents are set at the market rate.

PHONE NUMBER: (212) 863-5474

LITIGATION

The Housing Litigation Division (HLD) litigates Housing Court cases in which the agency seeks to compel private owners of residential property to correct conditions that violate the City's Housing Maintenance Code.

PHONE NUMBER: (212) 863-8200

7A MANAGEMENT

Through the 7A Program, administrators are appointed by the Court (pursuant to New York State law) to operate privately-owned buildings that have been effectively abandoned by their owners, resulting in conditions that are dangerous to the tenants' life, health and safety. The administrators act under Court Order to collect rents and use the money to provide essential services to the tenants and make necessary repairs. A recent change in the program seeks to ensure competent management by selecting experienced housing organizations, rather than individuals, to provide 7A management services.

In some 7A buildings, HPD offers a limited amount of 7A Financial Assistance (7AFA) to repair or replace major systems or make other repairs. HPD monitors the activities of 7A administrators and administers the 7AFA loan program.

The requirements to qualify as a 7A Administrator and the 7A Administrator application are available on www.nyc.gov/hpd

PHONE NUMBER: (212) 863-7356

IN REM ACTIONS AND THIRD PARTY OWNERSHIP

In the past, the City's real property tax policy resulted in long-term City ownership and management of large numbers of tax delinquent residential properties. Not only did the policy fail to address the underlying reasons for tax delinquency and abandonment, but the City was unable to quickly resell the properties to responsible private owners.

In 1996, in an effort to more effectively link property tax enforcement and housing preservation policies, the City obtained legislative changes that have altered the process by which the City forecloses on tax delinquent properties.

- Local Law #26 of 1996 now permits the Commissioner of Finance to sell the tax liens of properties which have tax arrears, but are not distressed;

- For distressed and other buildings, under Local Law #37 of 1996, DOF can initiate an *in rem* foreclosure proceeding that will require the owner to pay his or her taxes or face the loss of his or her property;
- If the taxes are not paid, the City can convey a tax delinquent residential property to a qualified third party after a Court-rendered *in rem* judgment.

HPD's Anti-Abandonment staff and Neighborhood Preservation Consultants work with owners of buildings designated for *in rem* actions to encourage them to pay their taxes in full or in installments, if acceptable to the Department of Finance (DOF). These owners are also referred for loan assistance, code enforcement, education and/or other targeted assistance.

PHONE NUMBER: (212) 863-6562

NARCOTICS CONTROL UNIT (NCU)

Drug buildings reveal stories about intimidation, wanton violence, deliberate destruction of amenities, broken dreams, struggling families and other miseries.

It has been the responsibility of NCU since May 1988, to reverse the negative effects of drug dealing operations in city-owned residential buildings.

NCU also works with private property owners to tailor building-specific narcotics abatement plans.

Strategies based on vigorous building management, law enforcement, cases in Housing Court, and, at times, the delivery of social services have been implemented.

The results of NCU's efforts can be measured in more than 15,500 apartments being regained from drug dealers. Approximately 2,800 former drug buildings have been stabilized.

Contact NCU by telephone at (212) 863-7284 and by fax at (212) 863-7286. Training sessions are available.

MAINTAINING SAFE HOUSING

CODE ENFORCEMENT

The core mission of HPD is to promote quality housing and livable neighborhoods for all New Yorkers. One important way HPD fulfills this mission is by enforcing compliance with the City's Housing Maintenance Code and New York State's Multiple Dwelling Law. HPD seeks to support the preservation of privately owned housing by making both tenants and landlords aware of their rights and responsibilities.

If your building owner fails to maintain your apartment and provide essential services, you may report the condition to the City's Citizen Service Center at 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK). For the hearing impaired, the TTY number is (212) 504-4115. The Center is open 24-hours a day, seven-days a week.

If you would like to speak with a public interviewer in person at the Borough Offices, you may do so weekdays between 8:30 a.m. and 3:30 p.m.

BOROUGH	ADDRESS	TELEPHONE
Manhattan	560 W 133 St.	(212) 234-2541
Bronx	1932 Arthur Ave.	(718) 579-6790
Brooklyn	701 Euclid Ave. 210 Joralemon St., 7th Floor	(718) 827-1942 (718) 802-3662
Queens	120-55 Queens Blvd. (Queens Borough Hall), first floor	(718) 286-0800
Staten Island	Staten Island Borough Hall	(718) 816-2340
SRO Compliance Unit	100 Gold Street, Manhattan	(212) 863-8515

PROPERTY REGISTRATION UNIT

Buildings with three or more dwelling units must be registered with HPD's Registration Assistance Unit no more than 30 days from the date of transfer of title or change in managing agent. One- and two-family dwellings need not be registered unless the owner lives outside the City. However, we encourage owners with tenant occupied units to register with HPD to ensure notice of complaints and violations placed on their buildings. If the owner lives outside the City, the building must be managed by a New York City agent and registered with the Registration Assistance Unit. Owners must renew their building's registration annually (buildings with six or more dwelling units by **April 1st** and those with five or fewer by **October 1st**.)

In order to initiate a court action or to request a code violation dismissal, the owner must prove that the building registration is current.

PHONE NUMBER: (212) 863-7000

REPORTING AN APARTMENT MAINTENANCE PROBLEM

Owners of privately-owned buildings are required by law to maintain apartments in habitable condition and provide tenants with heat during the winter heat season (October 1 through May 31) and hot water 365 days a year. These standards are enforced by HPD's Division of Code Enforcement.

If your building owner fails to maintain your apartment and provide essential services, you may report the condition to the City's Citizen Service Center at 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK). For the hearing impaired, the TTY number is (212) 504-4115. The Center is open 24-hours a day, seven-days a week.

If the complaint is an emergency, a uniformed Code Enforcement inspector will be sent to inspect your apartment. Each time an inspector responds to a complaint, the tenant is provided the following information: a summary of issued violations; a complaint number; the date of inspection; and, the inspector's badge number. After the inspection, tenants receive two brochures outlining their rights and responsibilities and the most common health and safety violations. These brochures help tenants understand their rights and responsibilities and encourage them to work with the City in bringing buildings up to code. The building owner is also notified of the complaint.

If violation conditions are verified by the Inspector, a Notice of Violation will be sent to the owner instructing him/her to repair the condition. If the owner fails to correct immediately hazardous conditions, HPD's Emergency Repair Program may repair the condition and bill the owner for the cost of the repairs. Tenants can ask about the status of emergency repair work in their apartments by calling (212) 863-5510.

If the building owner does not correct violation conditions, tenants may initiate legal action against the landlord in Housing Court. The Court has the authority to order the landlord to

correct violations and can assess serious penalties for failure to comply. There is a \$35 fee to file the action, which the court may waive if tenants are unable to pay.

HEAT AND HOT WATER

The City Housing Maintenance Code and Multiple Dwelling Law requires building owners to provide heat and hot water to all tenants. Building owners are required to provide hot water 365 days per year at a constant minimum temperature of 120 degrees Fahrenheit. Between October 1st and May 31st, a period designated as "Heat Season," building owners are also required to provide tenants with heat under the following conditions:

- Between the hours of 6:00 AM and 10:00 PM, if the outside temperature falls below 55 degrees, the inside temperature is required to be at least 68 degrees Fahrenheit; and,
- Between the hours of 10:00 PM and 6:00 AM, if the temperature outside falls below 40 degrees, the inside temperature is required to be at least 55 degrees Fahrenheit.

Tenants who are cold in their apartments should first attempt to notify the building owner, managing agent or superintendent. If heat is not restored, the tenant should call the City's Citizen Service Center at 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK). For the hearing impaired, the TTY number is (212) 504-4115. The Center is open 24-hours a day, seven-days a week.

When the City's Citizen Service Center receives a complaint, HPD staff will attempt to contact the building's owner or managing agent to get heat or hot water service restored. Before an HPD code inspector is dispatched to the building, HPD will call the tenant back to determine whether service has been restored. If service has not been restored, an HPD inspector is sent to the building usually within 48 hours under normal conditions to verify the complaint and issue the appropriate violation.

In cases where private owners fail to restore heat and hot water, or when HPD is unable to reach owners, HPD's Emergency Repair Program (ERP) uses in-house staff and private contractors to make the necessary repairs to restore essential services.

If a building owner fails to provide heat and hot water during the winter or has a serious history of flagrantly disregarding obligations to provide service to tenants, HPD's Housing Litigation Division (HLD) may sue the building owner in Housing Court. HLD regularly reviews all heat and hot water violations.

The video "Heat and Hot Water in Residential Buildings" is available on www.nyc.gov/hpd

HOW TO CORRECT VIOLATIONS

Building owners may have corrected violations removed from the record by certifying that the violations were corrected within the required time period specified on the Notice of Violation. Certification instructions can be found on the back of the Notice of Violation. After the specified time period has passed, building owners may file a Dismissal Request form (available on www.nyc.gov/hpd) with their Borough Code Enforcement Office for a \$300 fee. Building owners can check for open violations at www.nyc.gov/hpd using the HPDOnline application.

Building owners can also get technical advice from Code Inspectors in HPD's Borough Code Enforcement Offices or from the borough Anti-Abandonment Office about how to correct violations in their buildings. Owners and other interested parties can obtain print-outs of outstanding building violations for the cost of \$.25 a page (for 1 to 14 violations and \$30.00 for 15 or more violations) by contacting the Borough Code Enforcement Offices.

EMERGENCY HOUSING SERVICES BUREAU

The Emergency Housing Services Bureau provides emergency relocation services to tenants displaced as a result of fires or vacate orders issued by the Department of Buildings, Fire Department or HPD Code Enforcement. Owners of residential buildings must provide the names and apartment numbers of all legal tenants in occupancy to emergency staff in the event of a building-wide emergency, such as a fire or vacate order. The Emergency Housing Services Bureau assists these tenants with temporary housing at one of four family centers or at Red Cross-contracted hotels and facilities.

PHONE NUMBER: (212) 863-8561

EMERGENCY REPAIR PROGRAM

If an emergency condition is verified by the inspector, the last validly registered owner and managing agent of the property will be notified of said emergency condition by letter and/or by phone and instructed to repair the condition. If the owner fails to make the necessary repairs in a timely manner, HPD's Emergency Repair Program (ERP) may repair the condition. If HPD's ERP repairs the emergency condition, HPD, through the Department of Finance, will bill the owner for the cost of repairs. If the owner fails to pay the bill within 60 days, a lien is placed on the property.

- (212) 863-5510
To ask about the status of emergency repair work in your apartment.
- (212) 863-6020
To inquire about or request a copy of the invoice that supports an ERP bill, or to make an inquiring regarding payments or account balances. All new charges are billed by the Department of Finance and must be paid at the Department of Finance. This can be done by mail, with the appropriate stub from the bill included, or at any of the five borough City

Collectors Offices. In addition, please note that the telephone number listed above is an automated line with varying selections. As the message will not repeat itself, please pay careful attention to the selections given.

If the complaint is not an emergency, the owner will be notified that the condition should be corrected. If the landlord does not correct this condition, a tenant may initiate an action against the landlord in *Housing Court*. The court has the authority to order the landlord to correct the condition and can assess serious penalties for failure to comply. There is a \$45 fee to file the action; the court may waive the fee if the tenant is unable to pay.

LEAD-BASED PAINT TREATMENT: PRIMARY PREVENTION PROGRAMS

The Primary Prevention Program, a joint initiative between the Department of Housing Preservation and Development (HPD) and the Department of Health and Mental Hygiene, uses funding from the U.S. Department of Housing and Urban Development (HUD) to offer grants to building owners for lead treatment. This initiative addresses a serious environmental threat to young children that results from deteriorated lead-based paint in apartments. The program, part of a broad City strategy to lower the hazards from lead-based paint, provides grants to owners of multi-unit apartment houses built before 1960, the year New York City banned the use of lead-based paint. In addition to federal funds, the Primary Prevention Program is also supported by city capital money to address lead-based paint hazards citywide.

The Program gives owners the means to make their buildings lead-safe through low-level interim treatment work. Treatment concentrates on friction surfaces - door jams, window sills and wells, and cabinets - because friction creates lead dust. Buildings owners apply for forgivable loans valued at \$6,000 to \$7,000 per apartment, the average cost of lead treatment work. Some units may receive up to \$8,000 in conjunction with other moderate rehabilitation work. Owners, in turn, hire contractors who are trained in EPA certified courses in lead treatment. HPD inspects the work. The loan amount is secured by a mortgage on the property which evaporates after three years, provided the owner is in full compliance with the terms of the loan.

The buildings involved in the initiative meet the following criteria:

- Buildings built prior to 1960 include one and two family as well as mutli-family sites;
- Over 80% of the tenants must be at low-income thresholds (the owner must continue to rent to low-income tenants for three years in order for the lien to be forgiven);
- Due to the preventive nature of the grant program, buildings with many families with children under six years of age, including pregnant mothers and families who provide day care services to children under six years of age for at least twenty hours a week, are ideal for participation in the grant program;
- Under federal funds the targeted areas are West Queens and Astoria, Queens, Bedford Stuyvesant, Crown Heights, East New York, East Flatbush-Flatbush, Williamsburg and Bushwick in Brooklyn, and City funds will support buildings Citywide; and
- The owner(s) must be current on all City taxes and judgments at the time of identification.

Building owners who would like more information about the Primary Prevention Program may call (212) 863-6389.

DEMOLISHING UNSAFE BUILDINGS

The Department of Buildings (DOB) issues a Declaration of Emergency ordering the owner to demolish a structurally unsafe building. If the owner fails to take this action, HPD's Demolition Unit may be called on to abate the hazardous conditions. Buildings not declared emergencies, but which are vacant, open, and accessible, may be sealed based on a DOB order by HPD's Emergency Repair Bureau to protect the public and the property. In both cases, HPD, through the Department of Finance, will bill the owner for the cost of the demolition or sealing. If the owner fails to pay the bill within 60 days, a lien is placed on the property.

If you wish to report a building which may be structurally unsound, call the City's Citizen Service Center at 311, 24 hours a day, 7 days a week. (311 can be accessed outside of New York City by dialing (212) NEW YORK). You may also request the sealing of unsecured vacant buildings by calling 311.

CITYWIDE INSPECTION UNIT (CIU)

The Citywide Inspection Unit was created to consolidate and strengthen several smaller units within the Division of Code Enforcement. The CIU, comprised of the SRO Compliance Unit, the Emergency Response Unit, and inspectors formerly stationed with the Emergency Services Bureau, conducts re-inspections at SROs, responds to tenant complaints 24 hours a day, 7 days a week, and supports other Bureaus and Divisions of HPD (including the Emergency Services Bureau, the Division of Anti-Abandonment, and the Housing Litigation Division) as well as other city agencies (including the Department of Homeless Services and the Human Resources Administration's Division of AIDS Services Income Support (DASIS)). For more information about the SRO Compliance Unit, call (212) 863-8515.

SECTION 3: RETURNING CITY-OWNED BUILDINGS TO PRIVATE OWNERSHIP

DISPOSITION PROGRAMS

Building Blocks! is a comprehensive neighborhood redevelopment initiative, designed to stimulate community renewal by returning City-owned properties to responsible private owners. From the late 1970's through 1993, the City's policy was to take into City ownership a massive inventory of deteriorated, abandoned buildings. The City diverted scarce funds toward the management and maintenance of these buildings without confronting the underlying causes of disinvestment and abandonment. Hence, many neighborhoods continued to decline.

Building Blocks! targets clusters of occupied and vacant City-owned buildings for renovation and disposition to community-based owners. Buildings are owned and managed by local entrepreneurs, neighborhood not-for-profit housing organizations, or qualified groups of tenants.

The programs that comprise the Building Blocks! disposition programs include:

- Neighborhood Entrepreneurs Program (NEP)
- Neighborhood Redevelopment Program (NRP)
- Tenant Interim Lease Program (TIL)
- Tenant Interim Lease II
- Tenant Ownership Program
- Asset Sales
- Neighborhood Homes Program

Information about affordable rental apartments rehabilitated through HPD programs is available on the Affordable Housing Hotline by calling 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK).

NEIGHBORHOOD ENTREPRENEURS PROGRAM (NEP)

NEP is an award-winning program that enables neighborhood-based private property managers to manage and subsequently own clusters of occupied and vacant City-owned buildings. By focusing on small, locally-based entrepreneurs, HPD is strengthening local real estate capacity in addition to ensuring quality management and maintenance for the buildings.

Entrepreneurs apply to participate in the program through a Request for Qualifications (RFQ). HPD evaluates responses and select participants.

Buildings selected for NEP are sold to a not-for-profit corporation which retains the entrepreneurs to oversee the rehabilitation and purchase the buildings upon completion of renovations. Entrepreneurs are also partnered with local not-for-profit groups that assist with building stabilization and provide tenant support and training. HPD capital funds, federal HOME funds, and bank financing provide for the renovation of the building, while proceeds

from the sale of Federal Low Income Housing Tax Credits provide for the operating and social service needs of the buildings and keep rents affordable for existing tenants.

All existing legal tenants in a Neighborhood Entrepreneurs Program building have the right to stay and to pay no more than 30% of their income in rent (they receive rental assistance to the extent that restructured rents exceed 30% of household income). Except where federal subsidies require lower limits, vacant apartments may be rented to families earning no more than 165% of the current HUD area median income standards adjusted for family size. To the extent that federal HOME funds and/or proceeds of Low Income Housing Tax Credits are used for rehabilitation or operating expenses, income limits and maximum rents are subject to federal requirements for at least 15 years. Tenant selection must comply with federal fair housing marketing guidelines.

Out of a pool of 3,477 nominations from across the country, NEP was selected as one of HUD's 100 Best Practices for 1999. The program was one of ten winners of a 1999 Innovations in American Government Award, a program jointly sponsored by Harvard University's Kennedy School of Government and the Ford Foundation.

PHONE NUMBER: (212) 863-7347

NEIGHBORHOOD REDEVELOPMENT PROGRAM (NRP)

NRP conveys clusters of occupied and nearby vacant City-owned buildings to selected community based not-for-profit organizations for rehabilitation and operation as rental housing. Following the sale, the buildings' rehabilitation is funded through City Capital, Community Development Block Grant Federal HOME funds and proceeds from federal low income housing tax credits.

Organizations apply to participate in the program through a Request for Qualifications (RFQ). HPD, the Local Initiatives Support Corporation (LISC) and The Enterprise Foundation jointly evaluate responses and recommend participants. HPD makes final selections.

Proceeds from the sale of Federal Low Income Housing Tax Credits provide for renovation, operating and social service needs of the buildings and keep rents affordable for existing tenants.

PHONE NUMBER: (212) 863-7360

TENANT INTERIM LEASE PROGRAM (TIL)

TIL provides assistance and training to organized tenant associations in occupied City-owned buildings of three or more dwelling units to develop economically self-sufficient, low-income tenant-owned cooperatives. To be accepted into the program, tenant associations must demonstrate the desire and ability to self-manage. Once accepted, tenant associations enter into a lease with the City to maintain and manage the buildings in which they live. The program offers training to the tenant associations in building management, maintenance and financial record keeping.

HPD funds the buildings' rehabilitation while under City ownership, using private construction management firms to supervise the work. Since rental income must cover operating expenses, ongoing repairs and management fees, rents are restructured so that buildings remain financially viable after sale. After completion of renovations and all program guidelines are fulfilled, buildings are sold to a cooperative corporation established by the tenants. Individual tenants purchase shares for these apartments for \$250. Over 840 buildings with 17,600 units have been conveyed through TIL since 1980.

PHONE NUMBER: (212) 863-7317

TENANT INTERIM LEASE II (TIL II)

TIL II conveys occupied City-owned buildings of three or more dwelling units for rehabilitation and conversion to tenant-owned cooperative housing. TIL II differs from the TIL Program in that rehabilitation is undertaken after the sale of the building.

The buildings are sold directly to the tenants prior to rehabilitation. HPD funds a construction loan to a developer/contractor who enters into a development agreement with tenants to complete construction.

PHONE NUMBERS: (212) 863-7304

TENANT OWNERSHIP PROGRAM (TOP)

The Tenant Ownership Program (TOP) sells individual occupied City-owned one- to five-unit buildings to eligible existing residential and commercial tenants in those buildings, with the residential tenants getting priority. The sale price is based upon an appraisal of the property performed by HPD. Properties are sold in "as-is" condition and HPD does not make major repairs.

PHONE NUMBER: (212) 863-7630

ASSET SALES BUILDING PURCHASE PROGRAM

Through Asset Sales, buildings that do not require subsidy for rehabilitation or operation are sold at market value. Tenants in good standing are given first opportunity to purchase the buildings. If the tenants are not interested or not able to purchase, the buildings are offered through a Request for Offers (RFO) to the general public. HPD reviews the responses to the RFO to determine the eventual purchaser of the site. Purchase price is not the only factor in determining purchasers. The level of rehabilitation and proposed use of the property are also determining factors.

PHONE NUMBER: (212) 863-7630

NEIGHBORHOOD HOMES (NH)

Under the Neighborhood Homes Program, HPD conveys occupied one- to four-family buildings to selected community-based not-for-profit organizations for rehabilitation and eventual sale to owner-occupants. The not-for-profit organization purchases the properties subject to existing tenancies. The not-for-profit sponsor will receive funding in the form of an evaporating loan from HPD and a loan from the Local Initiative Support Corporation (LISC), The Enterprise Foundation, or a conventional lender.

Once rehabilitation is completed, each building is marketed to existing tenants or buyers who agree to reside in the building and who qualify for mortgage financing to purchase the property.

PHONE NUMBER: (212) 863-7360

CENTRAL MANAGEMENT

TENANT SUPPORT SERVICES (TSS)

Tenant Support Services (TSS) provides a variety of services primarily to families and individuals in HPD-managed buildings to prevent those families from becoming homeless. TSS programs provide early and crisis intervention services to aid families and individuals. These services include referrals to social service agencies and workshops on family and life skills issues, including parenting, health, nutrition, and home and financial management.

PHONE NUMBER: (212) 863-5777

RENT PAYMENT

Tenants in buildings managed by HPD are billed monthly and are expected to pay their rents in advance, by the first day of each month. Rent may be paid by check or money order. HPD does not accept cash. Checks or money orders should be made payable to "The NYC Commissioner of Finance." Payments can be mailed to HPD, in the return envelope that is supplied along with the bill. Please be sure to include the return portion of the bill with the payment. Rent may also be paid in person at the Area Office, located at 94 Old Broadway in Manhattan, between the hours of 9:00 AM and 4:30 PM. Tenants should bring the entire bill and a form of picture identification when paying in person. **Tenants are cautioned not to pay individuals soliciting rent payments in their buildings, send cash through the mail, or attempt to pay with cash at the Area Office.**

Some tenants have their rent paid directly to HPD by the NYC Human Resources Administration (HRA). These are called Direct Vendor Payments. Even though the rent is being paid by Direct Vendor payments, the tenant is responsible for ensuring that the rent is being paid. If HRA does not pay rent for a particular month, the tenant is responsible for making the payment. Any tenant having problems with Direct Vendor Payments should contact his/her case worker immediately to resolve the issue. HPD's Area Office may also be able to assist tenants in resolving issues with HRA.

Tenants with questions about their rent bills can contact the Area Office at: (212) 694-3782.

SECTION 4: COMMUNITY SUPPORT SERVICES

FAIR HOUSING

The Office of Community Partnerships supervises not-for-profit organizations that provide fair housing services throughout the City, including: counseling building owners and tenants on their rights and responsibilities under various housing and discrimination prevention laws; explaining Housing Court procedures; assisting senior citizens in filling out Senior Citizen Rent Increase Exemption applications; helping low- and moderate-income tenants find housing and conducting fair housing workshops. Fair Housing Counselors also mediate in Housing Court Dispute Resolution Centers and can assist in resolving building owner/tenant disputes:

BOROUGH	ORGANIZATION	NUMBER
Bronx	South Bronx Action Group (English & Spanish)	(718) 993-5869
Brooklyn	Brooklyn Tenants Council (English, Russian, Spanish)	(718) 435-7585
Manhattan	Chinese-American Planning Council (English & Spanish, Mandarin and Cantonese)	(212) 431-7800
Manhattan	New York Urban League (English only)	(212) 926-8000
Queens	New York Urban League (English only)	(718) 739-6600 x413
Staten Island	Residents can call any of the aforementioned offices	

The Fair Housing Unit also investigates Fair Housing and Americans with Disabilities Act (ADA) complaints that involve HPD. PHONE NUMBER: (212) 863-7911

USING TAX INCENTIVES TO CREATE NEW HOUSING

LOW INCOME HOUSING TAX CREDITS

Tax Credits are awarded by HPD to qualified low-income housing projects in New York City. To be eligible, projects must be substantial rehabilitation or new construction with at least 20% of apartments reserved for low-income households. During annual funding rounds, developers apply competitively to HPD for allocations of tax credits, which are awarded based on selection criteria specified in the City's Qualified Allocation Plan (see below). Once tax credits are allocated to a project, the developer typically sells the credits to corporate investors who supply private equity to cover a portion of development costs. The investors often participate through pooled equity funds raised by syndicators such as the New York Equity Fund, the Enterprise Social Investment Corporation and others. The investors receive credits that reduce their corporate federal income tax bills for ten years.

HPD allocates a portion of the Low Income Housing Tax Credits available to the State of New York; the amount of HPD's authority is negotiated annually with the State. Typically, HPD allocates \$10-\$12 million in credits per year to 40 or more projects with a total of 1,200 low income units.

PHONE NUMBER: (212) 863-6583

TAX INCENTIVE PROGRAMS

A Formula For Success

City Initiative			Successful Housing
+	=		Development
Private Enterprise			

Please note: The following tax incentive programs are for developers and future or current property owners.

- J-51: As-of-right tax exemption and abatement for residential rehabilitation or conversion to multiple dwellings.
- 421-a: Partial tax exemption for new multiple dwellings.
- 421-a affordable housing program.
- 421-b: Partial tax exemption for new construction or substantial rehabilitation of owner-occupied one- and two-family homes.

- 421-g: Tax exemption and abatement for conversion of commercial buildings to multiple dwellings (Downtown Manhattan).
- 420-c: Complete tax exemption for HDFC-owned housing developed with government loans and tax credits (up to 30 years).
- Inclusionary Housing: Zoning bonus for new construction of multiple dwellings located in R10 zones in return for low-income housing.
- UDAAP: Tax exemption for rehabilitation or new construction of housing in UDAAP areas.
- Article XI: Tax exemption for HDFC-owned new construction or rehabilitation.
- 420-a: Complete tax exemption for HDFC-owned housing with on-site social services.

For further information call (212) 863-5183

SUPPORTIVE HOUSING PROGRAMS

The Supportive Housing Loan Program provides financing to not-for-profit organizations to develop supportive housing for homeless single adults, including people suffering from disabilities such as mental illness and AIDS. Limited funding is available to create housing for families with special needs and youth aging out of foster care. Both new construction and rehabilitation proposals are eligible.

Supportive housing is intended to provide permanent housing in which formerly homeless, low-income and disabled people can live independently, with support and assistance provided through on-site social services funded by the City and State. All tenants must be low-income and 60 percent of the units must be rented to homeless persons residing in the City's emergency shelter system. Projects for families with AIDS may also be considered on a limited basis.

Eligible not-for-profit sponsors include social service providers as well as housing and development organizations.

Supportive Housing FAQs:

What are the goals of HPD's Supportive Housing Loan Program?

Making permanent housing with on-site services available to the City's homeless single adult population, including those with special needs such as the mentally ill and persons with AIDS, is one of the primary goals of the Supportive Housing Loan Program. Projects for special needs families and youth aging out of foster care may also be considered.

While preservation of the City's existing Single Room Occupancy (SRO) housing stock remains an important objective, many other types of buildings are eligible for acquisition and gut rehabilitation financing. For example, in addition to preserving critical SRO buildings such as the Euclid Hall on the Upper West Side and the Woodstock and Holland Hotels in Times Square, buildings such as the former Gouverneur Hospital on the Lower East Side, a former convent in Bedford Stuyvesant and a former warehouse in Chelsea were acquired and redeveloped as permanent housing for single adults with funds from the Supportive Housing Loan Program. New construction is also eligible for funding.

What type of funding is available through the Supportive Housing Loan Program?

Qualified not-for-profit organizations can obtain full funding to acquire and develop sites to provide studio apartments, efficiency units and SRO units for single adults. Funding is made available in the form of a loan from HPD, which is made to a Housing Development Fund Corporation (HDFC) pursuant to Article XI of the New York State Private Housing Finance Law. The not-for-profit sponsor is not required to provide any equity.

The term of the loan is for thirty (30) years with an interest rate of one (1) percent a year. Payment of this debt service is contingent upon the availability of adequate project subsidies and income and may be accrued. Payment of principal is due in the form of a balloon payment at the end of the loan's term. Assuming the HDFC has complied with all the program's requirements, the provisions of Article XI permit HPD to forgive the payment of principal over the last five years of the loan's term (years 26 through 30), leaving the property free of any debt.

The sponsor is also required to enter into a Regulatory Agreement with HPD which sets out the program's restrictions and requirements governing the ownership and occupancy of the project. The term of the Regulatory Agreement is thirty (30) years, which is concurrent with the mortgage.

HPD uses a variety of funds for this program, including City capital funds and Federal funds provided through the HOME Program and the Housing for Persons With AIDS (HOPWA) Program.

Can the program provide funding to cover pre-development costs?

Yes. Once the project is approved by HPD, seed loans are available to pay for your organization's pre-development costs such as architectural services, legal fees, housing and development consultants and other technical assistance. The seed loan may also be used to secure purchase options to acquire the property. Seed loans are available and are generally provided by the project's tax credit syndicator.

What funds are available for on-site services?

A key component of the Supportive Housing Loan Program is the development of housing with on-site services to meet the needs of the homeless population. City and State funds are available to provide supportive services such as counseling, entitlement assistance, health care, meal programs and job training. As a result Supportive Housing Loan Program staff work closely with other City agencies that provide funding for such services.

For example, subsidies may be available to qualified groups through contracts with the NYC Department of Mental Health and the New York State Office of Mental Health for projects providing housing for homeless mentally ill persons. Based on the availability of funding, SRO Support Services subsidies are provided through the Department of Homeless Services to qualified sponsors providing housing to homeless single adults from the shelter system. Sponsors providing housing for homeless persons with AIDS from the City's caseload are eligible for funding through Supported Housing for Persons with AIDS contracts with the NYC Human Resources Administration's Division of AIDS Services.

In the past, the New York State Office of Temporary and Disability Assistance (OTDA) has made available funds for services for families and young adults through a pilot project utilizing

surplus Federal TANF funds. Sponsors of family projects may also wish to investigate seeking an allocation of Low Income Housing Tax Credits (see below) in order to create reserves to fund services.

All of these contracts are available to qualified sponsors participating in the Supportive Housing Loan Program, subject to the budgetary constraints and procurement procedures of the funding agency. HPD works closely with all the agencies and sponsors involved to insure that funding is available and application deadlines are met.

What rental subsidies are available?

Federal rent subsidies obtained by HPD are provided for eligible tenants in Supportive Housing Loan Program projects. Rental assistance for the homeless is provided through the SRO Moderate Rehabilitation Program. The Shelter Plus Care Program provides rental subsidies for disabled homeless people.

Does HPD use Low Income Housing Tax Credits (LIHTC)?

Yes. The staff of HPD's Supportive Housing Loan Program will assist project sponsors in obtaining additional funds through the LIHTC program. While the Supportive Housing Loan Program can provide full acquisition and development financing, the equity generated through the LIHTC program may provide long term operating and social service reserves for the project and pay development fees. Wherever possible, the equity will also be used to reduce the City's capital funding, which may then be used to develop additional projects.

What are the basic requirements of the Supportive Housing Loan Program?

The not-for-profit sponsor is responsible for the development, management and operation of the project. The basic program requirements can be divided into four basic functions which are described below.

- *Site Selection and Pre-Development:*
Both privately owned and City owned sites are eligible for acquisition and development. The not-for-profit sponsor is responsible for the identification of a site. Suitable buildings should contain between 25,000 and 35,000 square feet, and 40 to 60 dwelling units. This represents the most desirable building size since it provides for economies of scale for both construction as well as maintenance and operation. Buildings with at least 15,000 square feet which could contain at least 25 dwelling units may be considered, but this represents the minimum for projects in the program.

Written guidelines for new construction under the Supportive Housing Loan Program are available. They outline acceptable standards regarding the zoning, design, construction and cost for proposals involving new construction.

In addition to identifying an acceptable site, the sponsor is responsible for negotiating the proposed purchase price with the owner and assembling a development team which includes architects, development consultants, attorneys and other technical consultants. If a site is City owned, the applicant should inquire at HPD to determine whether the site is available for disposition and development under the Supportive Housing Loan Program.

The sponsor must also initiate discussions with the local community board, elected officials

and any other community organizations that may be affected by the proposed development to seek their approval and support for the project.

- *Providing On-Site Services:*

During the project's pre-development, the not-for-profit sponsor must identify the social services program which it proposes for the site along with the appropriate sources of funding. The sponsor is responsible for meeting RFP deadlines for contracts with the appropriate agencies, e.g. the NYC Department of Homeless Services, the NYC Human Resources Administration or the NYC Department of Mental Health or the New York State OTDA. HPD will also work with the agencies involved to coordinate funding and program schedules.

- *Development:*

Once the project has been approved by HPD for funding, a scope of work will be developed which is acceptable to both the sponsor and to HPD. The sponsor will be responsible for the preparation of architectural plans and construction documents. Bid documents must be prepared and the sponsor must select the lowest qualified bidder from a list of qualified general contractors. Supportive Housing Loan Program staff will assist the sponsor in this work and must approve the selection of the general contractor. Using HPD's documents, the sponsor enters into a contract for construction with the general contractor.

The sponsor's architect is typically responsible for overseeing much of the general contractor's work. HPD inspectors evaluate work and compliance with the contract as well. All vouchers for payments are reviewed and approved by HPD.

- *Rent-up and Management:*

The sponsor must agree to a tenant referral protocol that is included in the Regulatory Agreement. Generally the Supportive Housing Loan Program requires that sixty percent (60%) of the units are made available to single adults selected from the City's shelter system. Family projects must reserve 80% of the units for families with special needs from the City's shelter system. Such tenants are typically referred from the Shelter Placement Division of the NYC Department of Homeless Services. Another forty percent (40%) may be rented to low-income single adults from the community in which the project is located. Projects for families may have 20% of the units reserved for community referrals. This may include referrals from community based facilities or homeless single adults living on the streets. All tenants should have incomes which do not exceed sixty percent (60%) of the area median income.

Sponsors may, with HPD's approval, increase the percentage of homeless persons housed in a project depending on the sponsor's program. For example, sponsors serving some special needs populations, such as the mentally ill or persons with AIDS, may prefer to limit their tenants to those who are in need of such special services.

The sponsor is responsible for all aspects of rent-up and on-going management of the property. HPD will require a plan for both rent-up and management and may require that a property management firm with experience with this type of housing be hired by the sponsor to carry out this task.

How does my organization apply for funding?

First your organization should be familiar with the program's requirements and goals. This summary is meant as an initial introduction to the program and does not represent all of the program's parameters and requirements.

If your organization has a proposal that you believe may be suitable for funding through the Supportive Housing Program, you should contact the Deputy Director of the Supportive Housing Loan Program, Dave Rouge (212-863-6469) to discuss your proposal and obtain a loan application. In this way, the amount of work your organization must complete prior to an initial review by our staff should be minimized. Ultimately a loan application is completed and submitted to the Supportive Housing Loan Program for approval.

How does HPD evaluate proposals and select those for funding?

Since loan applications may be received at any time, HPD is continually reviewing proposals to select the best projects for funding. While not intended to be all inclusive, in general proposals are evaluated by considering the following key questions:

- *Is the not-for-profit sponsor qualified?*
This includes not only the sponsor's development experience, but its experience as a social service provider. Other agencies with which the not-for-profit may have contracted for services are contacted to determine if they are in good standing.
- *Does the proposal serve the single adult population or families from the City's emergency shelter system?*
While many populations are in need, this program focuses on providing housing for single adults in the City's emergency and transitional shelter system. At least 60 percent of the units in a project funded by the Supportive Housing Loan Program must be rented to referrals from the City's shelter system (80% in the case of family projects). Proposals cannot be considered which do not address this population's need for housing.

The Supportive Housing Loan Program will also consider proposals for housing homeless families in which a family member has AIDS. To be eligible for this housing, the family must be referred by HRA's Division of AIDS Services. Capital funding for these projects is contingent upon the availability of operating and social service subsidies provided by HRA.

- *Is the rehabilitation or new construction feasible?*
The initial schematic design for the project is reviewed and a cost-estimate is evaluated. It is then determined whether or not the site is suitable for the project proposed. For example, projects may be rejected which are too expensive or too small.
- *Can the sponsor obtain community support for the project?*
While such housing may initially be met with local opposition, community support from the local community board, elected officials and other community organizations is expected.
- *Is the proposed use compatible with the existing land use?*
HPD reviews the project for land use and community planning concerns and may reject proposals which do not conform with existing land use or neighborhood planning objectives. For example, if the area already includes a large amount of special needs housing, or is insufficiently served by transportation or other community services, it may be rejected.

- *Is the proposed acquisition cost of privately owned property within HPD's guidelines and is the existing owner acceptable to HPD for purposes of acquisition?*
Following the submission to HPD of a proposed purchase price, HPD will obtain an independent appraisal to value the property. HPD's acquisition financing must be supported by an independent appraisal of value. In addition the owner's record as a landlord will be examined to insure that the owner does not have a record of tenant harassment. In such instances, proposals will be rejected.
- *Is the sponsor capable of obtaining adequate subsidies to provide the on-site services which are proposed?*
The sponsor must indicate that it can obtain all of the necessary contracts from the appropriate service agencies.
- *Has the sponsor provided an adequate management plan and development budget?*
This is part of HPD's basic evaluation of the sponsor's strength and abilities. Without a clear indication that the sponsor can provide an adequate plan for these important tasks, the proposal may be rejected.

PHONE NUMBER: (212) 863-6469

For a list of apartments, call the Supportive Housing Network of New York: (212) 870-3303

URBAN PLANNING AND RENEWAL

NEIGHBORHOOD PLANNING OFFICES

HPD's planning divisions were re-organized and strengthened to better serve the needs of the Mayor's *New Housing Marketplace: Creating Housing for the Next Generation* plan. The housing plan has a goal of increasing development in targeted neighborhoods through rezoning and by leveraging remaining HPD-controlled property with other public and private property. This is a significant departure from HPD's production effort since the mid-1980s, which relied primarily on the city-owned, tax-foreclosed inventory of buildings and land. Simply put, the task of identifying sites suitable for development today is far more complex and challenging, and for the most part, HPD will have to look outside of its own portfolio to find them.

To ensure the necessary capacity for achieving the Mayor's goals, HPD's planning function will be enlarged and divided along the lines of broad responsibilities to be handled by five divisions:

- The newly created Division of Property Planning and Administration
Director of Property Administration - Charles Marcus, 212-863-5322, marcusc@hpd.nyc.gov
Reporting to Luiz Aragon, Deputy Commissioner for Property Services
Function: Creating and maintaining an inventory of HPD-owned property available for development; assessing the history and development potential of over 160 urban renewal plans; responding to status inquiries for HPD-owned property.
- The newly created Division of Neighborhood Planning
Assistant Commissioner - Christopher Cirillo, 212-863-6693; cirilloc@hpd.nyc.gov
Function: Facilitating housing development through community based planning; Requests for site control or any requests to develop HPD-owned property
- The newly created Community Outreach Unit
Assistant Commissioner - Antonio Rivera, Jr., 212-863-7905; riverajr@hpd.nyc.gov
Reporting to Kimberly Hardy, Deputy Commissioner for Community Partnerships
Function: Collaboration with community boards and community-based organizations
- Planning functions remained unchanged for the existing Division of Planning Support Services
Assistant Commissioner - Walter Roberts, 212-863-8482; robertsw@hpd.nyc.gov
Reporting to Joseph Rosenberg, Deputy Commissioner for Intergovernmental Affairs and Support Services
Functions: Geographic Information Services, acquisition and land valuation, environmental review (brownfields), creative services, property redemption

- Planning functions remain unchanged for the Division of Neighborhood Resources/Marketing
Director - Rubin Wolf, 212-863-7979; wolfr@hpd.nyc.gov
Reporting to Joseph Rosenberg, Deputy Commissioner for Intergovernmental Affairs and Support Services
Functions: monitoring the marketing and rent-up of HPD-sponsored housing development; representing the commissioner at board and borough level meetings

Staff for these units will be consolidated at 100 Gold Street. For efficiency, they will be organized functionally instead of geographically, and will be available to assist constituents citywide in their areas of responsibility. For other issues HPD will continue a presence in the neighborhoods through its Anti-abandonment field offices.

NEIGHBORHOOD-WIDE REDEVELOPMENT (URBAN RENEWAL)

Urban Renewal is the legal authority by which a municipality undertakes planned and coordinated activities to redevelop entire neighborhoods. There are currently approximately 150 urban renewal areas in New York City. Each area has a corresponding urban renewal plan, which defines the area's boundaries and specifies the manner in which it will be redeveloped.

As New York City's urban renewal agency, HPD drafts or modifies urban renewal plans; seeks approval of the plans from local Community Boards, Borough Presidents, the City Planning Commission, the City Council, and the Mayor; acquires property through condemnation and other means; sells properties for the purpose of redevelopment; coordinates relocation of residents and businesses; and, coordinates redevelopment of the area.

Urban renewal plans can include any type of residential, commercial or industrial development. The Saratoga Square Urban Renewal Area, for example, is a 28-block area in the Bedford-Stuyvesant and Oceanhill-Brownsville sections of Brooklyn. This urban renewal plan was originally drafted in March 1992. The plan calls for nearly \$50 million in investment to develop approximately 1,100 units of homeownership housing, the Fulton Street ANCHOR/Partnership Plaza retail project, renovation of 140 units in City-owned buildings, two parks, and related development.

For additional information on Urban Renewal, call (212) 863-5016

VACANT LAND DEVELOPMENT

General Info

HPD considers proposals from not-for-profit housing developers to construct State- or Federally-funded affordable housing developments on vacant City-owned properties. Applicants for Federal Section 202 Housing for the Elderly, Federal Section 811 Housing for the Disabled, State Housing Trust Fund, or other government-supported projects can apply for site control of vacant City-owned properties. HPD will verify local Community Board support for the project and, in the event the project receives Federal or State funds, will then seek to obtain the appropriate land use approval for development. In most instances, ownership of the property is conveyed to the non-profit developer at the construction loan closing.

For additional information on Vacant Land Development, call (212) 863-8032

Public Auction of NYC Real Estate

Public auctions of residential, commercial property and unimproved land are held several times each year with opening bids of as low as \$1,000. For information on the next auction and to subscribe to the New York City Public Real Estate Auction Sales brochures on upcoming opportunities, visit the DCAS Web site, call the City's Citizen Service Center at 311 (311 can be accessed outside of New York City by dialing (212) NEW YORK), or write to:

Department of Citywide Administrative Services (DCAS)
Division of Real Estate/Office of Auction Sales
1 Centre Street, 19th Floor North
New York, NY 10007

SECTION 5: *THE NEW HOUSING MARKETPLACE* PLAN PROGRAM DESCRIPTIONS

COMPONENTS OF THE PLAN

The City's housing policy reflects two broad goals that are dictated by the nature of the City's housing stock, and the overall characteristic of the City's housing marketplace. Specifically the objectives must be:

- Creating new markets for affordable housing at all income levels and at the same time ensuring that there is movement within the existing housing market place to make room for new households; and
- Investing in our neighborhoods, both because the existing housing stock is aging, with 60% of the units in New York City built before 1947 (from U.S. Bureau of the Census, 1999 New York City Housing and Vacancy Survey), and in particular its low income communities, cannot afford another calamity of housing abandonment and disinvestments that swept the South Bronx, central Brooklyn and northern Manhattan in the 1970s and 1980s leaving 321,000 (from U.S. Bureau of the Census, 1981 New York City Housing and Vacancy Survey) units abandoned and nearly 800,000 residents displaced.

NEW MAYORAL INITIATIVES

New Housing Opportunities Program (NewHOP)

Under the New Housing Opportunities Program ("NHOP"), the New York City Housing Development Corporation (HDC) issues taxable bonds to provide long-term fixed-rate permanent financing for rental projects affordable to middle-income families earning up to 250% of the City's median income. HDC also provide subsidies of up to \$30,000/unit. However, under certain circumstances, subsidies of up to \$45,000/unit may be provided for projects with higher land costs, lower rents or larger units in accordance with the terms outlined herein.

NewHOP Moderate income Program (NewHOP Mod)

Under this initiative, at least 20% of the units in a new or rehabilitated development must be reserved for low-income households earning less than 50% of the New York City median income (with at least 15% of these low-income units set aside for very low-income families earning less than 40% of median income). Approximately 30% of the units would be set aside for households earning the lesser of a) 7 or 8 times the HDC established maximum rents for "middle-income" families or b) 250% of the New York City median income. Approximately 50% of the units would be set at market rates for households without regard to incomes.

Low-income Affordable Marketplace Program (LAMP)

HDC's 100% LAMP program (formerly known as 100% LITE) combines the use of tax exempt bond financing with as of right "4%" Federal Low Income Housing Tax Credits and other subsidies to produce housing affordable to those earning less than 60% of area median

income.

New Ventures Incentive Program (NewVIP)

The New Ventures Incentive Program is a pool of capital to be made available by New York's financial institutions and the City. The total city funds to be made available under the program are \$40 million over five years. This capital will be combined with leveraged monies from participating banks for a total commitment of \$200 million dollars. This money will be used to provide predevelopment loans for projects with potential environmental hazards primarily located in manufacturing zones of the City that have been or are to be rezoned for residential use.

New Partners Program

HPD provides low-cost loans to owners of small properties working with not-for-profit organizations to bring vacant residential units back into the marketplace. Not-for-profit organizations will market the program to owners, and provide assistance to owners in securing information and documentation required as part of a completed a loan application package.

New Start (Formerly Homeless Homeownership Pilot)

This program targets formerly homeless families presently residing in HPD-sponsored residential developments who are interested in becoming homeowners. HPD will identify the homes to be developed within existing HPD programs. A revolving loan fund will be used to finance construction costs and/or cover the gap between construction costs and the mortgage that can be secured. Families will be required to complete homeownership and credit counseling courses.

Mixed Income Rental Program (MIRP)

The new mixed income rental production program will mirror the 421-a certificate program except that HPD would replace the equity generated from the sale of certificates with a subsidy to the developer of \$50,000/unit. The subsidy would be a combination of HPD funds and funds available through the 100% Lite allocation. The subsidy would be combined with 4% tax-credits and tax-exempt bond financing to fund the construction of new multi-family buildings.

HomeFirst: Downpayment Assistance Program

HPD offers down payment assistance to first-time homebuyers through its HomeFirst program. Eligible homebuyers can qualify for up to \$10,000 to use toward the down payment and or closing costs on a one- to four-family home purchased in one of HPD's Homeownership Zones. Homeownership Zones are located in select neighborhoods in Manhattan, Brooklyn, the Bronx, Queens and Staten Island.

Employer Assisted Housing

HPD will work with employers throughout the city to provide down payment assistance to first-

time homebuyers through its Employer-Assisted Housing Down Payment Assistance Program. HPD will work with participating employers to structure the program so that it is flexible and can be combined with employee benefit programs already offered by employers. Eligible homebuyers can qualify for up to \$10,000 to use toward the down payment and or closing costs on a one- to four-family home purchased in one of HPD's Homeownership Zones. Homeownership Zones are located in select neighborhoods in Manhattan, Brooklyn, the Bronx, Queens and Staten Island.

Mitchell-Lama

In addition to financing the production and preservation of low, moderate, and middle income units, HDC will set aside \$50 million dollars to fund the repair and preservation of Mitchell-Lama apartments and other affordable housing assets.

MAINTENANCE OF EFFORT

ANCHOR

This is a neighborhood revitalization program that is creating over 300,000 square feet of newly constructed commercial retail space and over 1000 units of housing on vacant City-owned land. ANCHOR uses a combination of Federal, State, City and private funds to finance newly constructed retail space and residential units.

Nehemiah

HPD has worked with East Brooklyn Congregations (EBC), a consortium of over thirty congregations, over the past 15 years to construct nearly 2,900 single-family homes in the East New York and Brownsville sections of Brooklyn. To keep the homes affordable, HPD provides a subsidy of up to \$20,000 for each home.

Supportive Housing Loan Program

The Division of Special Needs Housing, Office of Development, makes low interest/no interest loans to qualified not-for-profit sponsors to develop and own permanent housing residences for homeless and low-income single adults, including persons with mental disabilities and persons with AIDS. Usually 60% of the units are for the homeless and 40% are for low-income households. This program has been expanded to also serve homeless families with special needs and youth aging out of foster care.

Large Scale Development

HPD's Office of Development fosters residential, commercial/retail, and mixed-use development of City-owned land. The Office develops comprehensive, community-based plans to transform vacant and underutilized City property and through a competitive process to select development teams to purchase, develop, and manage properties designated for large-scale development.

Article 8A Loan Program

This program provides rehabilitation loans to correct substandard or unsanitary conditions and to prolong the useful life of multiple dwellings in New York City.

Participation Loan Program (PLP)

This program provides low-interest loans to private owners for the moderate and gut-rehabilitation of multiple dwellings with more than twenty units. City funds are combined with market-rate private financing to provide a below market interest rate.

Third Party Transfer (TPT)

The City of New York enacted legislation ("Local Law 37") to improve real property tax collection while more effectively preserving and maintaining the City's residential housing stock. The legislation allows the City, pursuant to a judgment of foreclosure by the court to transfer title of tax delinquent residential properties directly from the delinquent owners to responsible new owners. The city mandates that these new owners rehabilitate the properties soon after transfer and remove housing code violations. To facilitate this, HPD typically provides low interest loans.

Small Buildings Loan Program

HPD provides loans for the moderate-to-gut rehabilitation of buildings (vacant or occupied) containing between one and twenty units. After rehabilitation, real property taxes may be eligible for abatement through the J-51 or 421-b program.

Home Improvement Program (HIP)

HIP was developed in cooperation with private banks to provide loans to help small homeowners improve their properties. HIP loans of up to \$20,000 are made to owner/occupants of one- to four-family homes located throughout the city. The City provides a 0% loan, which reduces the effective interest rate to 2.5% or 5%, depending on the borrower's income.

Senior Citizens Home Assistance Program (SCHAP)

In conjunction with the Parodneck Foundation, HPD provides loan assistance in amounts up to \$30,100 for a single-family house, and up to \$25,000 per dwelling unit for 2-4 family houses to low-and moderate-income senior citizens over the age of 60.

Lead Paint Treatment

This joint initiative between HPD and the Department of Health and Mental Hygiene (DOHMH) uses federal (HUD) and City Capital funding to offer grants to building owners for lead treatment. Building owners apply for forgivable loans valued at \$6,000 to \$7,500 per apartment to hire contractors who are EPA-certified and state licensed in lead treatment.

7A Financial Assistance

Through the 7A Program, administrators are appointed by the court (pursuant to New York State law) to operate privately-owned buildings that have been effectively abandoned by the owners, resulting in conditions that are dangerous to the tenants' life, health and safety. In some 7A buildings, HPD offers a limited amount of 7A Financial Assistance to make loans to repair or replace major systems or make other repairs.

Neighborhood Entrepreneurs Program (NEP)

This award-winning program enables neighborhood-based private property managers to manage and subsequently own clusters of occupied and vacant City-owned building. Buildings selected for NEP are sold to a not-for-profit corporation, which retains the entrepreneurs to oversee the rehabilitation and purchase the buildings upon completion of renovations. HPD capital funds combined with federal funds, proceeds from federal low-income housing tax credits and bank financing provide sources of capital for the renovation of the building.

Neighborhood Redevelopment Program (NRP)

This program conveys clusters of occupied and nearby vacant City-owned buildings to selected community based not-for-profit organizations for rehabilitation and operation as rental housing. HPD provides capital funds combined with federal funds and proceeds from federal low income housing tax credits for the buildings' rehabilitation.

Tenant Interim Lease Program (TIL)

HPD provides assistance and training to organized tenant associations in occupied city-owned building of three or more dwelling units to develop economically self-sufficient, low-income tenant-owned cooperatives. HPD funds the buildings' rehabilitation while in City ownership and then sells the building to the cooperative corporation established by the tenants.

Tenant Interim Lease II (TIL II)

TIL II conveys occupied City-owned buildings of three or more dwelling units for rehabilitation and conversion to tenant-owned cooperative housing. TIL II differs from the TIL Program in that rehabilitation is undertaken after the sale of the building. HPD funds a construction loan to a developer/contractor who enters into a development agreement with tenants to complete construction.

Neighborhood Homes Program

Under this program, HPD conveys occupied one-to four-family buildings to selected community-based not-for-profit organizations for rehabilitation and eventual sale to owner-occupants. The not-for-profit organization purchases the properties using an evaporating loan from HPD and a loan from the Local Initiative Support Corporation (LISC), Neighborhood

Partnership HDFC, or a conventional lender.

StoreWorks

This program is carried out in cooperation with the development arm of Neighborhood Housing Services of New York City (NHS), an experienced not-for-profit organization that acts as developer to rehabilitate small, vacant, mixed use buildings currently owned by the City and restore them to private ownership. The rehabilitation is financed with loans from private lenders combined with partial funding from HPD. The City also provides partial tax abatement for a period of twenty years.

Tax Credit Allocation Program

HPD will allocate its future Low Income Housing Tax Credits for new construction and preservation of affordable housing units. Through this program investors receive a credit against their federal taxes in exchange for providing funds to build or renovate housing at rents within reach of low-income people. Using Tax Credits and other funds HPD has returned the vast majority of City-owned buildings to responsible private ownership. As HPD completes the disposition of the remaining inventory of properties, Tax Credits will be freed-up for additional uses.