

the **new** housing **MARKETPLACE**



CREATING HOUSING FOR THE NEXT GENERATION



THE CITY OF NEW YORK
Michael R. Bloomberg,
Mayor
Daniel L. Doctoroff,
*Deputy Mayor for Economic
Development and Rebuilding*



**Department of
Housing Preservation and
Development**
Jerilyn Perine,
Commissioner

December 10, 2002

the new housing
MARKETPLACE
CREATING HOUSING FOR THE NEXT GENERATION

OVERVIEW

New York City is the world's second home. Over the last decade, it has been a magnet for people from throughout the nation and across the globe who sought to call New York home. New immigrants and life long residents alike are attracted to this great City for many reasons including, the availability of economic opportunities, the cultural diversity of its communities and the prospects for a better life for themselves and their families.

However, without a concomitant increase in new housing production, the affect of this growth has been the enormous pressures placed on the City's historically tight housing market. While New York City's housing stock is in better condition than it has been in decades, nearly half of all New Yorkers pay more than 30% of their income in rent and hundreds of thousands live in overcrowded conditions.

In order for New York City to remain competitive and to ensure that its record growth can continue, significant housing issues must be addressed. And while we can build on the successes of the past, the new marketplace that we are facing requires new approaches. The City's assets and resources must be deployed more efficiently in order to create new markets for affordable housing, bring housing into the marketplace that has gone underutilized, and leverage new sources of funds to invest in our neighborhoods, which must be sustained for future generations of New Yorkers.

Government can play a pivotal role by reducing the risk to the private and non-profit sectors in the development of new housing and through strategic investments of its funds and resources to ensure the continued vitality of the City's neighborhoods.

While the challenges are great, the goals are achievable. Twenty years ago, few people viewing the devastated neighborhoods of Harlem, the South Bronx and Central Brooklyn could imagine the renaissance these neighborhoods have experienced. Few had the vision or the belief that local government had the ability and the capacity to help these communities rise from the ashes of destruction, nor did an infrastructure of committed financial institutions, local community organizations and private entrepreneurs exist. Today the accomplishments speak for themselves—neighborhoods have been revitalized and communities renewed, and a community of housing development professionals awaits new challenges.



In order for New York City to remain competitive and to ensure that its record growth can continue, significant housing issues must be addressed.

A new vision and a new commitment is now needed to address the severe housing shortage in New York City and again local government, together with partnerships already established, has the ability and the capacity to help. This plan is the beginning of that promise.

INTRODUCTION

Almost from its inception in the early 17th century, New York City had housing problems. Haphazard wood frame construction, clustered without regard to sanitation or a defined transportation system, meant that New Yorkers were ill housed from the earliest period in the City's history. Housing shortages followed periods of real estate expansion and there never was a time in the City's history when all of its population's housing needs were met with safe, sanitary, comfortable and affordable housing.¹

Even 350 years later, the mythical goal of market perfection persists and frustration about lack of supply of affordable housing continues both in myth and reality. The perception of most New Yorkers – that they pay too much for too little space – is in fact widely reflected in the data of the most recent Housing and Vacancy Survey conducted by the U.S. Census Bureau. That data, contained in *Housing New York City 1999*, indicates that nearly half of New York's renter households pay more than 30% of their income for rent. Nearly one half million households in fact pay more than half of their income for rent.²

Overcrowding is also a serious problem. From 1996 to 1999, the number of crowded families increased to 75,715, and the number of severely crowded to over 215,000. In addition, the number of doubled-up households increased from 203,000 in 1996 to 221,000 in 1999, an increase of 9.1%.³ Thus, the common perception of most New Yorkers is well documented in fact.

Although America today is plagued with problems of affordability in the housing market, New York's problems are extreme, with median gross rents substantially above national averages.⁴ When the shortage of units is added to the mix of problems, a vacancy rate of just 3.19%, down from 4.01% just three years earlier, it is not surprising that more and more New York households are crowding into spaces too small for their families and paying more than they should for housing.

And yet while there is a well-established housing advocacy community, which is both national and local, the "crisis" in affordable housing is not reflected in

¹ "As early as 1676 the Common Council approved the right of the City to take control of abandoned and decayed houses and to turn them over to new owners who were willing to build them up or rebuild." New York City, *Minutes of the Common Council: 1675-1776* (April 18, 1678), 1:14, quoted in Richard Plunz, "A History of Housing in New York City," (Columbia University Press, 1990), p.2.

² U.S. Bureau of the Census, 1999 New York City Housing and Vacancy Survey (487,957 households, or 27.1% of all renter households, pay more than 50% of their income for rent.)

³ U.S. Bureau of the Census, 1999 New York City Housing and Vacancy Survey. Note: Crowded is defined as more than one person per room and severely overcrowded as more than 1.5 persons per room.

⁴ Only San Francisco and Boston have higher median gross rents. Michael H. Schill and Glynis Daniels, "State of New York City's Housing and Neighborhoods: An Overview of Recent Trends, Draft

a national debate. It is at once the most personal and intimate of public policy issues – affecting how one lives and subject to everyone’s personal experience. At the same time it is the public policy issue most affected by the private marketplace, with government’s role, at all three levels, often misapplied and commonly misunderstood.

And perhaps most importantly, its constituency is often invisible either by nature of its role in society and lack of involvement in the political process (such as the working poor, homeless, newest immigrants) or because its needs will impact the process in the future (issues related to changing demographics such as an aging population, but also one with a significant population under the age of 18⁵); and the future has a difficult time competing with today’s priorities.

And finally, the problems we face today of shortages, affordability and crowding are a direct result of the desire of so many people to live here. At the same time the housing stock is in the best physical condition that it has been in since it was first measured in 1965, with only 1% of the housing stock in dilapidated condition.⁶ The most deleterious market force for housing, the cost of borrowing and the resulting access to capital, is in fact so low that capital is flowing into the housing stock resulting in increases in property value in nearly every community.⁷ Certainly Buffalo or Detroit, cities that continue to lose population and jobs, would be happy to trade their problems for New York’s.



Yet the problems of inadequate supply are real and will impact the City’s future significantly whether or not we act: the question is how will our future be shaped? Will we maintain healthy moderate and middle-income communities? Will we provide resources for low-income communities to allow a mix of income groups? Will we maintain our critical supply of low-income housing that exists both in public housing and outside of it? And will we be able to provide access to housing for the creative class and the intellectual talent that our City grows itself but also attracts from all over the country and in fact the world?

It is critical to understand the place of housing within the public policy hierarchy, and the role that government, particularly local government, can play. Local government must first ensure that the safety of its citizens is

⁵ There are 1.9 (24.5%) million New Yorkers under 18. U. S. Bureau of the Census, 2000.

“By 2030, experts on the aging say, there will be more than 70 million people in the country 65 or older.” Co-op City in the Bronx, with 8,000 people of retirement age, most of whom moved in when the buildings opened in 1968, is becoming a naturally occurring retirement community, or NORC, which are emerging across the country as the baby boom generation moves toward old age. Alan Feuer, “Haven for Workers in Bronx,” The New York Times, August 5, 2002, p. A1

⁶ U.S. Bureau of the Census, 1999 New York City Housing and Vacancy Survey.

⁷ Ingrid Gould Ellen, Michael H. Schill, Scott Susin, and Amy Schwartz, “Building Homes, Reviving Neighborhoods: Spillovers from Subsidized Construction of Owner-Occupied Housing in New York City,” Journal of Housing Research, 2001, Volume 12, Issue 2, pp. 185-216. Dennis Hevesi, “City Homeownership Plans Lift Neighborhoods,” New York Times, July 30, 2001, Section B, Page 1.

Government's role...is key to creating new markets—which will in turn attract private investment—and investing in neighborhoods that cannot sustain adequate private investment on their own.

protected by keeping crime rates low, that the City's children receive an education through the public school system that will ensure they have the skills to pursue a happy and useful life, that the City's transportation system meets its growing needs, that its health is protected through adequate sanitation, and that it is financially solvent so that it can continue to provide its core services effectively.

While housing permeates the everyday life of every citizen, most housing has and will continue to be built by the private market. Government's role is relegated to two primary areas:

- Regulating private market activities, both through land use controls as well as standards which govern construction and maintenance⁸; and
- Providing financial incentives to encourage housing activities that will build or strengthen a private marketplace such as subsidizing home ownership through federal tax benefits, local tax incentives to encourage rehabilitation and new construction and low cost financing for construction and maintenance of housing for targeted income groups.⁹

Government's role in these areas is key to creating new markets—which will in turn attract private investment—and investing in neighborhoods that cannot sustain adequate private investment on their own.

While an overall increase in construction will help to provide units, without government subsidies a range of income levels from the poorest to the middle class will continue to seek housing and be unable to obtain it. In 1999, more than 356,000 households in New York City were living with another household. Of those, 25,776 had less than \$20,000 in income and were also severely crowded.¹⁰ While New York City commits more local resources to the development of affordable housing than any other municipality in the nation, we must always look to find new sources of affordable capital for the financing of new affordable housing and continue to effectively leverage private capital.

⁸ There were housing quality standards in New York City starting with The Tenement House Act of 1867, Richard Plunz, "A History of Housing in New York City," (Columbia University Press, 1990), p.22. The creation of systematic enforcement dates from the Tenement House Act of 1901. New York City also had the first zoning law in the Nation in 1916, New York City Department of City Planning.

⁹ Since WWII this role was exclusively federal – not until the 1960s and 1970s did State and local government in New York City begin large scale financing (Mitchell Lama, etc) and not until the mid 1980s did the City use general obligation bonds to finance reconstruction of housing. No other city takes on this burden to the degree New York City does.

¹⁰ U.S. Bureau of the Census, 1999 New York City Housing and Vacancy Survey



THE NEW MARKETPLACE

...this Administration is focused on making housing affordable and available and on enforcing standards to ensure its quality.

THE NEW MARKETPLACE

We have a vision for New York City as a city where people want to live, work, raise their families, educate their children, and socialize. It must also be a place where business wants to locate and can attract the best people. Housing is a key part of that vision, and this Administration is focused on making housing affordable and available and on enforcing standards to ensure its quality.



New homeowners at Sunflower Way, Elton Avenue, Bronx

We must free the private market to operate to meet the housing needs of New Yorkers by making more City-owned land available for residential and mixed-use development, for rezoning where appropriate, for streamlining and easing regulatory burdens, and for pursuing other ways to reduce the cost of construction. Local government will always have a role in developing housing for the most vulnerable New Yorkers – those the private sector does not adequately serve, such as the homeless mentally ill—and we remain committed to continuing New York City's national leadership in developing supportive housing for special needs populations.

To spur and complement the market, over the next 5 years we are committed to investing more than \$3 billion to preserve and create 65,000 units of housing for low, moderate and middle income New Yorkers, including providing City-owned land for new construction of over 7,000 units of housing. To address the City's housing needs, we have developed four new initiatives, we have enhanced a number of existing programs to increase production and leverage private financing, and we have created a number of no cost initiatives that will allow us to build more housing in the City.

The City's housing policy must reflect the 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 1947,¹¹ and because the City, and in particular its low income communities, cannot afford another calamity of housing abandonment and disinvestments that

¹¹ U.S. Bureau of the Census, 1999 New York City Housing and Vacancy Survey.

swept the South Bronx, central Brooklyn and northern Manhattan in the 1970s and 1980s, leaving 321,000¹² units abandoned and nearly 800,000 residents displaced.

Local government's role is to increase and spur the marketplace to act in ways that further these objectives. We have empirical evidence of the positive impact and multiplier effect that investment in housing's new construction and rehabilitation has on the local economy and on the surrounding neighborhood. A study¹³ by Alex F. Schwartz of the New School for Social Research showed that when the City invested \$4.1 billion to create over 150,000 housing units from 1986 to 1997, the benefits extended far beyond the housing realm. This investment yielded 99,000 jobs and nearly \$4.5 billion in personal income from construction activity. The residents of this new housing generated an additional 25,000 jobs and \$900 million in personal income through consumer expenditures. There are also studies that show that among the City's most desolate neighborhoods, new construction and renovation of existing housing through City-subsidized programs promoting homeownership significantly increased property values on neighboring blocks.

We can realize benefits such as these through two significant initiatives that will create financing opportunities for affordable housing. First, the City is going to use the financial strength of the New York City Housing Development Corporation—HDC—to build housing and leverage significant additional funds through this investment. Over the next five years, HDC will make available approximately \$500 million for the creation and preservation of over 17,000 units of housing for low, moderate and middle-income New Yorkers, which will in turn leverage over \$2.5 billion of private financing. This represents an unprecedented commitment of local housing finance agency resources and is double the amount spent over the last 5 years.

Second, the disposition of the last of the City's in rem stock will provide new opportunities for the City to invest strategically in neighborhoods through the creative use of federal dollars to develop new housing. We will redirect over \$555 million in City and federal funding, along with \$2 billion from HPD's existing budget, for targeted investments in the housing stock in our most needy communities. Many of the projects that will be funded with the redirected dollars will be made feasible with creative use of Low Income Housing Tax Credits. These tax credits will generate over \$200 million in direct equity investments.

While there is little disagreement in regard to the overall goals, there are a variety of approaches. This plan seeks to outline strategies that focus on these objectives and can maximize local government's role to achieve them, understanding that the role of government must be to increase and spur the market place to act in ways that further these objectives.

12 U.S. Bureau of the Census, 1981 New York City Housing and Vacancy Survey.

13 The Economic Impact of New York City's Housing Investments: At The Crossroads

To access additional sites for development, government action will be required to transform former land uses into residential / commercial mixed use sites...

Creating New Markets for Affordable Housing

New York City's housing marketplace is restrained from constructing new affordable housing because the high cost of construction necessitates a high cost-housing product.

Constrained by its physical boundaries, there are few locations within New York City that can provide significant numbers of units in the marketplace today.¹⁴ In effect New York City's housing marketplace is being expanded in New Jersey, Long Island, Westchester and beyond, increasing commuter times and limiting housing choices within the City's borders.



Intersection of George Street and Central Avenue, Brooklyn

To access additional sites for development, government action will be required to transform former land uses into residential/commercial mixed use sites, clean up the old industrial areas and make them viable for residential construction, and consider increasing density to accommodate more housing development.

We know from prior investment in affordable housing that strategic investment can create new markets for affordable housing which in turn increases property values and decreases the need for future subsidies. Mitigating development risk and targeting resources strategically can create new housing in areas that are currently underutilized.

In addition, although the vacancy rate is extremely low, there are still housing units that are vacant and held out of the marketplace.¹⁵ While the bulk of these units are unavailable because they have been combined with other units, are undergoing renovation, or are held for seasonal use, others—approximately 20,000 units—could be returned to the marketplace. In some cases ground floor commercial revenue is sufficient to cover costs plus profit with insufficient financial incentive for the residential use. There are also

¹⁴ The last two significant tracts of City-owned property, which are currently being developed, are Arverne in Queens and Gateway Estates in Brooklyn. Remaining large sites are in manufacturing districts. Redevelopment of these sites for residential uses requires environmental clean up, which is costly and lengthy.

¹⁵ The 1999 Housing Vacancy Survey (HVS) identifies 89,000 units that were unavailable for rent or sale.

areas, particularly those with small buildings, where owners fear the risks associated with being a landlord and new incentives or assistance should be considered to encourage owners to put such units into active use.

It is not surprising that with a very low vacancy rate comes very little movement of households, particularly for those in regulated units. Incentives for movement into homeownership, for example, should be considered. HPD will increase emphasis on homeownership outreach and education to help encourage home buying, expand knowledge of New York City neighborhoods and increase understanding of homeownership options, particularly to households currently at risk of homelessness.

The New Marketplace



To provide an array of new housing opportunities, the City will make available, through HDC, \$500 million for the development or preservation of approximately 17,000 units of housing for low, moderate and middle-income New Yorkers as follows:

- The majority of these units, representing \$350 million of HDC resources, will be created through the existing New Housing Opportunities Program—New HOP—which operates at no direct cost to the City using proceeds from taxable bonds. New HOP until now has been predominantly aimed at providing housing for middle-income families—those earning more than 100% of Area Median Income (AMI)—currently \$62,800. But for the first time, HDC

will expand program guidelines and set aside \$60 million of the \$500 million specifically for moderate-income families earning between 60% and 100% of AMI (\$37,680 to \$62,800), such as teachers, police officers, firefighters and health care workers.

- To create additional affordable units through its 100% Lite Program without the use of 421a certificates, HDC will make available \$100 million to offer up to \$50,000 per unit in direct additional subsidy.
- HDC will also set aside \$50 million to provide funds for the repair and preservation of Mitchell-Lama and other affordable housing resources.

The City will do even more to address the homeless problem and to help families with critical needs. In order to provide expanded housing opportunities for homeless and very low-income households, the City will

allocate \$100 million to create over 2,000 units of low-income housing. HPD will expand production of permanent housing for the homeless and create new initiatives to increase both rental and homeownership development for families and for youth aging out of foster care.

Creating New Land



To access additional sites for development, the City will:

- Create the New Venture Incentive Program, providing \$200 million in low-interest loans for acquisition, site development and environmental work necessary to accelerate development for new construction. Projects will be eligible to receive up to \$20,000 per unit and HPD will provide assistance for approximately 10,000 units.
- Accelerate environmental review of City-owned property to make more property available for residential development.
- Work with the State to develop an effective brownfield strategy for New York City in order to develop sites in underutilized or inactive industrial areas around the City to spur residential development.¹⁶



- Streamline the disposition of City-owned property by centralizing this function under the Deputy Mayor for Economic Development & Rebuilding, Daniel Doctoroff. The Deputy Mayor's Office will review proposals for jurisdiction transfers and lead agency designations for proposed dispositions
- Collaborate with the New York City Housing Authority (NYCHA) to develop affordable housing on NYCHA property that is currently vacant or underutilized for housing purposes.

¹⁶ The appointment of Chris Ward to lead the City's brownfield initiative lends an expertise and urgency that will expedite these issues.

Entering the New Development Era

Government is in a unique position to encourage and foster development by easing regulatory burdens and encouraging more participants in the development process, particularly at the local level. Additional capital and participants will be encouraged to enter the marketplace and efforts will be made to streamline the regulatory burdens that add to the transaction costs of residential development. In addition, we will work with New York City employers to promote the creation of employer assisted housing programs to encourage homeownership. Local developers must be encouraged so that communities can develop their own local markets for construction, renovation and management of residential housing. Measures will include:



- Adopting a uniform building code to simplify the regulatory process and increase construction of residential buildings.
- Increasing the number of qualified developers with local experience and actively recruiting, through a competitive process, new developers with experience in brownfield redevelopment to expedite construction on brownfield sites.
- Conducting a comprehensive review by City Planning, HPD and the Department of Buildings of zoning and building codes, which prohibit or inhibit the development of low cost housing for singles—whose housing choices diminished in the 1950s when the City banned the creation of single room occupancy units on a for-profit basis due to the inferior quality of this type of housing during that period—and implementing the appropriate changes.
- Creating viable models for employer assisted housing, which can be a valuable recruitment tool in expensive housing markets and in competitive industries where companies compete with other businesses located in less costly regions.¹⁷ HPD will provide \$10 million to 1,000 households in targeted neighborhoods to create greater homeownership opportunities and to attract businesses to New York City. These funds must be matched by the employer, and, if matched dollar for dollar, a family could receive up to \$20,000 for a down payment and/or closing costs. Homebuyers with household incomes up to \$87,920 (in

¹⁷ Most programs provide cash assistance for down payment and closing costs, via grants and/or loans that are forgiven after a specified number of years. Also provided are mortgage financing programs with favorable lending terms or revolving loan funds to which employers contribute and employees borrow.

Simply put, we cannot afford the loss of additional housing units...

neighborhoods that have lower than average homeownership rates and lower than average incomes) for a family of three or more will be eligible for this program.

Investing in Our Neighborhoods

With an aging housing stock and 27.8% of New York City residents residing in communities that experienced significant abandonment in the 1970s and 1980s,¹⁸ the preservation of the existing stock must be a priority, particularly given the constraints on new construction. Simply put, we cannot afford the loss of additional housing units, which displaces tenants with the greatest needs, robs the equity from lower income property owners, increases overall dilapidation, which correlates with rising crime rates, and places significant financial burdens on local government. The following represents constraints and opportunities to preserve the existing housing stock.

Target Neighborhood Investment

The City, through HPD, will:

- Maintain its provision of low cost capital, which is required to ensure the long-term financial viability of its stock as well as to ensure tenant affordability. Opportunities to increase ratio of private equity and private debt will be maximized.
- Redirect over \$555 million in City and federal funding, along with \$2 billion from HPD's existing budget, for targeted investments in the housing stock in communities with the greatest need.
- Establish a Neighborhood Investment Advisory Panel (See Appendix) with financial and academic institutions and housing and community development organizations to monitor the impact of strategic investments and ongoing needs of the existing housing stock.
- Conduct ongoing analysis of trends in the housing market in order to identify areas of concern and to develop appropriate intervention strategies. Particular emphasis should be placed on first time homebuyers, small rental property owners, and SRO housing and illegal occupancy.

Increase Homeownership Opportunities

Homeownership, one of the foundations of the American Dream, provides owners with financial stability and equity for their futures. Homeownership is also an important anchor for communities, promoting long term investment in communities and fostering increased retail and commercial development in support of residential neighborhoods.

- The City will establish the HomeFirst Down Payment Assistance Program and will commit \$25 million over five years to assist 2,500

¹⁸ 1999 Housing and Vacancy Survey, sub-borough data

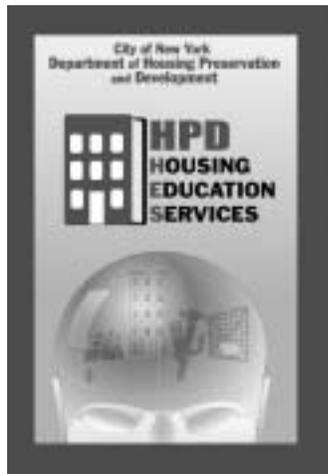
working families in New York City to purchase their first home in targeted neighborhoods. HPD will administer the program and will assist families by helping them improve their credit and save for the down payment. Creative use of federal programs, such as the Section 8 Homeownership Program and the Assets for Independence Program (a federally sponsored individual development account program), will be maximized. New models for homeownership, such as a rental program with an option to purchase, will be developed.



- Community preference for new City assisted housing (including homeownership) has been increased to 50% from 30%. Local marketing efforts will be improved to ensure that those households currently living in subsidized housing, whose incomes could support homeownership, be targeted through marketing and education.
- HPD will educate homeowners through targeted outreach and homeownership training, identifying problem lenders for referral and potential legal action, and providing alternatives to predatory loans and sub-prime loans. HPD will also work with other City agencies to target specific anti-predatory lending information to people in tax arrears, seniors, owners of 1-3 unit residential buildings in specific neighborhoods, and owners who are on the verge of foreclosure. HPD's private lending partners will be encouraged to promote HPD's low cost alternative loan products as alternatives to predatory loans. HPD will also identify lenders suspected of engaging in predatory lending by analyzing tax and mortgage data and will target those lenders for possible enforcement action.

Bring Existing Housing Back to Active Use

- The City will create the New Partners Program, a pilot program that will provide \$20 million over the next five years to owners of small buildings who will contract with not-for-profits to renovate and lease up approximately 500 apartments that have been vacant and unavailable for rent. HPD will administer the program and provide up to \$40,000 per unit for rehabilitation of units in residential or mixed-use buildings with up to 20 units where private market financing is not available or is insufficient to complete the scope of work. Non-profit organizations will package a feasible project, develop rehabilitation plans, secure financing,



and lease and potentially manage renovated units. The non-profit organization and owner must agree to lease the rehabilitated units as affordable housing for tenants with incomes below 120% of AMI (currently \$75,360) and to maintain them as rent stabilized units.

- HPD and NYCHA will develop a homeownership outreach/education program for NYCHA residents as well as a pipeline of additional homeownership opportunities and incentives to encourage small households to downsize to smaller apartments or move to assisted living created for this purpose.

CONCLUSION

All of these strategies are achievable and taken together will create a framework for New York City's housing marketplace to increase its net production of units and ensure that its existing housing stock will continue to be a resource for future generations. By creating structural changes to the regulatory environment, attracting more capital and more developers, and protecting and investing in the most vulnerable communities, the City can build on the considerable success of past strategies and continue to attract new residents and meet the growing needs of its existing households.

Two decades of extensive housing and community development work has preserved or created over 200,000 units of affordable housing¹⁹ and spurred a community of academic and financial institutions, not for profit housing and community development organizations, and local and citywide real estate development and management professionals. Such extensive resources do not exist in any other city in the U.S. They can certainly all be put to work together with New York City government to house the next generation of New Yorkers.

¹⁹ Mayor's Management Report, HPD Section, data reflects period from 1987-2001



Appendix

NEIGHBORHOOD INVESTMENT ADVISORY PANEL

The Neighborhood Investment Advisory Panel will serve as liaison between HPD and the broader housing community as the Agency undertakes the ambitious programs outlined in this Plan. The Panel will be comprised of a broad representation of the City's housing partners in the financial, community development, housing management, and academic and philanthropic community.

Panel members will play a key role in helping HPD to monitor its progress in achieving the goals of this Plan and HPD will be able to maintain a better flow of information and communication between the Agency and the many organizations with whom it collaborates. Panel members will meet with key Agency personnel on a regular basis to discuss the Agency's progress in addressing the City's housing needs. Participants will be expected to provide critical feedback on the Agency's programs and to advise HPD on both the progress and barriers to successful program implementation. The Panel members will play a crucial role in working with HPD to maintain a close vigilance on the impact of its programs in neighborhoods throughout the City.

Members of the panel include:

- Mark Alexander – Hope Community
- Frank Anelante – Lemle & Wolff
- George Armstrong – New York City Housing Partnership
- Victor Bach – Community Service Society of New York
- Angela Battaglia – Ridgewood Bushwick Senior Citizens Council
- Naomi Bayer – Fannie Mae
- Ed Blakely – New School University
- Frank Braconi – Citizens Housing and Planning Council
- Bernard Carr – New York State Association for Affordable Housing
- Joe Cicciu – Belmont Arthur Local Development Corporation
- Mary Dailey – Northwest Bronx Community and Clergy Coalition
- Harold DeRienzo – Community Assisted Tenant Controlled Housing, Inc.
- Elaine Dovas – GreenPoint Community Development
- Kathleen Dunn – Community Preservation Corporation
- Ramon Escobar – C.E. Property Management, Ltd.
- Robert Ezrapour – Artimus Construction
- Philip Foglia – SEBCO
- William Frey – Enterprise Foundation
- Marilyn Gelber – Independence Community Foundation
- Sarah Gerecke – Neighborhood Housing Services of New York City, Inc.

Colvin Grannum – Bedford Stuyvesant Restoration Corporation
Gary Hattem – Deutsche Bank
Robert Horsford – Vision Builders, Inc.
Deborah Howard – Pratt Area Community Council
Marc Jahr – Citibank Center for Community Development & Enterprise
Laura Jervis – Westside Federation for Senior Housing
John Kelly – Nixon Peabody, LLP
Christopher Kui – Asian Americans for Equality
Brad Lander – Fifth Avenue Committee
Shmuel Lefkowitz – Agudath Israel of America
Deborah McCaffity – Allen AME Housing Corporation
Lucille McEwen – Harlem Congregations for Community Improvement, Inc.
Ronay Menschel – Phipps Houses
Felice Michetti – Grenadier Realty Corporation
Harry Oster – Astoria Federal Savings
Frank Ricci – Rent Stabilization Association
Phyllis Rosenblum – HSBC Bank USA
Monsignor Donald Sakano – Housing Development Institute
Michael Schill – New York University School of Law
Denise Scott – Local Initiatives Support Corporation
Jane Silverman – Washington Mutual
Pat Swann – New York Community Trust
Ray Velez Jr. – South Bronx Community Management
Darren Walker – Rockefeller Foundation
Mark Willis – Chase Community Development Corporation
Sheena Wright – Abyssinian Development Corporation

ACKNOWLEDGEMENTS

A policy document such as this one is invariably the result of a large collaboration of highly committed professionals. The plan must be conceived, programs developed, text written and rewritten, details checked, and it must be presented in a variety of formats for distribution to the public. Most importantly, it must result from a broad based consensus of ideas and objectives.

There are a number of people I would like to acknowledge for their assistance in forming this plan, beginning with Mayor Michael R. Bloomberg for believing that affordable housing is fundamental to New York City's long-term economic prosperity.

Daniel Doctoroff, Deputy Mayor for Economic Development and Rebuilding, contributed his broad and integrated vision of the City and a keenly critical eye. His Chief of Staff Sharon Greenberger provided key support and Laurel Blatchford, Senior Research and Policy Director, was an integral part of our team, adding her time, energy, writing skills and good humor even when the hour was late.

Peter Madonia, Chief of Staff to the Mayor, never failed to provide key insights and was a consistent voice for the neighborhood focus of the plan. Mark Page, the Director of the Office of Management and Budget, gave us critical feedback at a time in the City's history when budget issues are first and foremost. Paul Cataldo, Director of Community Development, and Willa Padgett, Assistant Budget Director, answered our questions and helped us resolve key problems. As always, David Rubinstein, Deputy Budget Director, provided help at critical junctures and ideas that we couldn't have made work without him.

Deputy Mayor for Policy Dennis Walcott, New York City Housing Authority Chair Tino Hernandez, and the Housing Authority's General Manager Douglas Apple provided countless hours of input towards our overall plan, and, most importantly, forged a collaboration that will help to create new housing. Esther Fuchs, Special Advisor to the Mayor, always made herself available for review of the plan and insights.

Patricia Lancaster, Commissioner of the Department of Buildings, deserves special thanks for her unwavering commitment to improving the construction environment in New York City. Finance Commissioner Martha Stark has devoted much of her public career to advancing the cause of housing and community development and her pioneering work to reduce the cost of construction of housing has helped to inspire many of the ideas in this plan.

The vision of constructing housing on derelict, formerly industrial land would not be possible without the commitment and support of Christopher Ward, Commissioner of the Department of Environmental Protection, and Amanda Burden, Chair of the New York City Planning Commission. This Plan's success owes a great deal to the work that their agencies will undertake in the coming months and years.

And of course we must thank our colleagues Chuck Brass and Lisa Gomez at the New York City Housing Development Corporation, whose financial creativity and commitment to affordable housing made the Plan viable.

Despite this collaborative effort, the bulk of the work fell, as it typically will, on the Agency staff of the Department of Housing Preservation and Development. In particular, First Deputy Commissioner John Warren, Carol Abrams, Christopher Allred, Patricia Barrera, Fran Barris, Mary Bolton, Bill Carbine, Christopher Cirillo, Arlene Conn, Barbara Flynn, Aileen Gribbin, Kimberly Hardy, David Jackson, Dr. Moon Wha Lee, Diane Lipset, Sheila Machado, Tim O'Hanlon, Ilene Popkin, Walter Roberts, Joseph Rosenberg, Bernard Schwarz, Harold Shultz, Lenward Snead, the staffs of Development, Planning and Intergovernmental Affairs, Housing Operations, Communications, the Strategic Planning Group, Budget and Fiscal Affairs, Legal Affairs, and to HPD's tremendous Graphics Department and Print Shop who make it all come out beautifully in the end.

Sincerely,

A handwritten signature in black ink that reads "Jerilyn Perine". The signature is written in a cursive, flowing style.

Jerilyn Perine

NOTES



Department of Housing Preservation and Development
100 Gold St
New York, NY 10038
212.863.6100
<http://nyc.gov/hpd>