

FY 2020 Borough Budget Consultations

Manhattan - Department of Housing Preservation and Development

Meeting Date 9/7/2018

AGENDA ITEM 1 : General Agency Funding Discussion:

The purpose of holding the Borough Budget Consultations is to provide Community Boards with important information to assist in drafting their statement of District Needs and Budget Priorities for the upcoming fiscal year. As you know, Community Board Members are volunteers who may not be familiar with the budget process and how agencies' programs are funded. At the same time, Community Board members are very knowledgeable about local service needs.

This year's Manhattan agendas have three sections:

I. Agencies begin the consultation with a presentation of their goals, funding decision process, and highlights of their funding needs.

II. Then, the agenda continues with Community Boards asking about specific program funding.

III. Lastly, the agendas include Boards' requests on district-specific budget questions. We request that the agency respond in writing, but have any further discussions on these items with the Community Boards outside of the consultation.

For the first section, please present on the four topics below for 10-15 minutes at the beginning of our Consultation. Also, please provide written responses or even a PowerPoint presentation that we can use to fully and accurately educate our Board Members.

1. What are your priorities and operational goals for FY19 and projected priorities and operational goals for FY20?
2. What are the current proposed FY19 and FY20 service and operational goals and proposed funding?
3. Which programs is the agency adding, dropping, or changing for FY19 and projected for FY20?
4. What are your benchmarks for new and existing programs and what are your benchmarks/key performance indicators for measuring success?

AGENCY RESPONSE:

Building on the foundation laid through Housing New York, in November 2017 the City released Housing New York 2.0, an extended plan to accelerate the creation and preservation of 200,000 affordable homes two years ahead of schedule, by 2022, and reach a new goal of 300,000 homes by 2026.

HPD has added a series of new programs to make this possible including:

- Seniors First
- Open Door
- HomeFix
- Neighborhood Pillars
- Partners in Preservation
- Mitchell Lama Reinvestment Program
- Housing+
- Innovative Construction

Since the start of HNY in 2014, HPD has consistently produced more affordable housing than our planned annual targets to reach 2000,000 affordable units in 10 years. At this point, we originally projected to be at 85,000 units of affordable housing created or preserved, but are actually at over 108,000 units. With the update of the Mayor's Housing plan to reflect these achievements, HPD now creates over 25,000 units of affordable housing annually, up from 20,000.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

AGENDA ITEM 2 : Capital & Expense

What is the projected level of funding for the following HPD programs and interagency initiatives for FY19 and projected FY20?

Please provide data as to which of these programs are currently/planning to be utilized within each of the 12 Manhattan Community Board.

In your opinion, which of these programs could require additional resources and why?

HOME OWNERSHIP

MULTIFAMILY PRESERVATION LOAN PROGRAM (FORMERLY DAMP PROGRAMS)

Additional Question: Compared to other programs the MPLP budget is small, please explain further the purpose of the MPLP

DISPOSITION

PRESERVATION FINANCE

Additional Questions:

Please provide details as to the status of current Manhattan affordable housing sites that have soon to be expiring low income housing tax credits and their projected year of expiration. What percent of the Preservation Finance budget is dedicated to Manhattan sites with expiring tax credits? Specifically what level of funding did the Low-Income Housing Tax Credit Portfolio Preservation (Year 15) Program receive in FY18 and FY19.

NEW CONSTRUCTION

Additional Question:

Does capital subsidy fall under New Construction program?

If so, how much of the FY19 and FY20 program budget will be dedicated to Manhattan projects and for which projects?

LEAD PAINT

Additional Question: Has HPD received the renewal of the 3 year Federal Lead Grant?

SUPPORTIVE HOUSING LOAN PROGRAM

ASSET MANAGEMENT

AFFORDABLE NEIGHBORHOOD COOPERATIVE PROGRAM (FORMERLY TIL)

AGENCY RESPONSE:

Please see attached chart. What is the projected level of funding for the following HPD programs and interagency initiatives for FY19 and projected FY20? Please provide data as to which of these programs are currently/planning to be utilized within each of the 12 Manhattan Community Board. HPD does not release projected pipeline data. These

tentative projects are still under negotiation and subject to change
In your opinion, which of these programs could require additional resources and why?
Every year, funding is allocated in accordance with pipeline demand.

Capital Funding as of Adopted FY'19 Capital Budget: FY'19 FY'20

City Capital

HOMEOWNERSHIP

Open Door Program \$50,690 \$1,149

New Infill Homeownership Opportunities (NIHOP) \$0 \$15,453

Total Homeownership – City Capital: \$50,690 \$16,602

MULTIFAMILY PRESERVATION LOAN PROGRAM (FORMERLY DAMP PROGRAMS)

Additional Question: Compared to other programs the MPLP budget is small; please explain further the purpose of the MPLP.

Multifamily Preservation Loan Program (MPLP) designates qualified sponsors to purchase and rehabilitate distressed vacant and occupied multi-family properties in order to improve and preserve housing affordable to low- to moderate-income households. MPLP properties are currently owned by the City of New York and were subject to an in rem foreclosure.

FY'19 FY'20

City Capital

Multifamily Preservation Loan Program (MPLP) \$14,300 \$22,212

DISPOSITION

Affordable Neighborhood Coop Program (ANCP) \$62,300 \$59,366

Third Party Transfer Program (TPT) \$7,380 \$38,944

Total Disposition: \$69,680 \$98,310

PRESERVATION FINANCE

PRESERVATION FINANCE \$326,039 \$386,831

FY'19 FY'20

LIHTC - Year 15 Program (included in Preservation Finance total above) \$118,904 \$155,863

Additional questions: Please provide details as to the status of current Manhattan affordable housing sites that have soon to be expiring low income housing tax credits and their projected year of expiration. What percent of the Preservation Finance budget is dedicated to Manhattan sites with expiring tax credits?

HPD works extensively with the projects in our portfolio to preserve their affordability for the long term—beyond initial terms of affordability. We conduct active outreach to the tax credit portfolio (including State and HDC financed projects) and host an annual event for projects reaching the end of their initial tax credit compliance period to make owners aware of additional assistance that HPD can provide through subsidy and tax exemptions to address rehabilitation needs and extend affordability. In addition, we encourage using NYU Furman Center's CORE data as a source of information consolidating a variety of city, state and federal data sources on New York City's housing and neighborhoods but we caution that it is not the most comprehensive data source.

However, HPD projects typically utilize several financing tools that rely on different lengths of time by rule and make standardization of reporting out the expiration dates a difficult task. Throughout HPD's existence, there has not been a centralized database to track specific data from regulatory agreements and other documents such as the year of expiration. All such documents are housed on ACRIS, the City Department of Finance's database of recorded documents. For the past few years, HPD has engaged in planning to upgrade many of our data tracking systems, including plans to standardize data points in HPD's regulatory documents, integrating data systems, and researching

historic regulatory agreements for data recapture. We recently worked with the City Council to pass Local Law 136 of 2018 to codify our plan to create a tracking system for start and expiration dates for all department regulatory agreements and affordability requirements.

Please provide details as to the status of current Manhattan affordable housing sites that have soon to be expiring

MEETING NOTES:

COMMENTS:

Funding would be helpful.

FOLLOW-UP:

AGENDA ITEM 3 : Specific Agency Program - New Construction & Preservation

New Construction: Please provide, by Community District, the number of projected new construction affordable units and their program in Manhattan for FY19 and FY20.

Please include the number of Low, moderate, and middle income units being produced within each Community District.

Please provide, by Community District, the number of projected preservation units and their programs in Manhattan for FY19 and FY20.

AGENCY RESPONSE:

1. New Construction: Please provide, by Community District, the number of projected new construction affordable units and their program in Manhattan for FY19 and FY20.

HPD does not release projected pipeline data besides RFPs that have been publicly designated, which can be found <https://www1.nyc.gov/site/hpd/developers/rfp-rfq-rfo.page>. These tentative projects are still under negotiation and subject to change.

2. Please include the number of Low, moderate, and middle income units being produced within each Community District. Please see attached

3. Please provide, by Community District, the number of projected preservation units and their programs in Manhattan for FY19 and FY20.

HPD does not release projected pipeline data besides RFPs that have been publicly designated, which can be found <https://www1.nyc.gov/site/hpd/developers/rfp-rfq-rfo.page>. These tentative projects are still under negotiation and subject to change.

MEETING NOTES:

COMMENTS:

They do not release pipeline data since it's a mix of private and public.

FOLLOW-UP:

AGENDA ITEM 4 : Loan Program - Housing, and Preservation

How much funding has been dedicated to the Green Housing Preservation Loan Program (GHPLP) in the FY19 budget?

Does the current funding meet the programs pipeline need for FY19 and projected FY20?

Has the marketing program directed to prospective owners been successful?

What percent of the program budget is dedicated to marketing the program to prospective owners?

AGENCY RESPONSE:

How much funding has been dedicated to the Green Housing Preservation Loan Program (GHPLP) in the FY19 budget?

FY'19 FY'20
City Capital
HPD Green Program \$12,550 \$1,514
Green Rehabilitation Program \$0 \$1,547
Total Green: \$12,550 \$3,061

Does the current funding meet the programs pipeline need for FY19 and projected FY20?

The current funding meets the program's pipeline need for FY19. Every year, funding is allocated in accordance with pipeline demand.

Has the marketing program directed to prospective owners been successful?

Yes, a majority of the buildings in the program's pipeline stems from outreach initiatives, such as Community Retrofit NYC or the Landlord Ambassador Program.

What percent of the program budget is dedicated to marketing the program to prospective owners?

The program does not budget for marketing specifically. The Mayor's Office of Sustainability separately requests funding for the Community Retrofit NYC program and the Landlord Ambassador Program is funded through settlement funds.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

AGENDA ITEM 5 : Possible Reductions in Federal and State Funding

As reported in the HPD Agency Background Material, HPD's FY19 operating expenses are \$924 million, which is a reduction from FY18 operating expense of \$1.1 billion. The city's contribution has also been reduced from FY18 levels at \$131 million to \$105 million for FY19. Yet the percent of the agency annual expense budget that is supported by Federal and State Funding has increased FY18 - 78% (\$881 million) compared to FY19 86% (\$791 million). These seem to be significant changes, please provide an explanation.

Since percentage of Federal and State Funding increased, is HPD is more confident that this funding will not be reduced in FY20?

AGENCY RESPONSE:

A significant portion of HPD's expense funding comes from federal sources and we do our best to allocate funding based upon federal appropriations to support our core programs and operations, such as our rental assistance program, property management, code enforcement, the emergency shelter program and others. The 2018 omnibus came with a larger increase in federal funding for housing programs and operations than prior year funding bills. As our Federal and State funding is allocated on an annual basis, we continue to work with City Hall and OMB to understand and mitigate potential impacts as best as possible. Each year, we advocate strongly for increased resources for housing and community development, and we will continue to do so.

MEETING NOTES:

COMMENTS:

Are there contingency fund made in case of cuts to federal funds?

HPD: Difficult to make contingency funds. They have a very good federal affairs office.

FOLLOW-UP:

AGENDA ITEM 6 : Staffing

What is the current staffing levels for Supervisors and Inspectors as the Manhattan Code Enforcement office?

What are the numbers of vacancies for the Manhattan Code Enforcement office?

What is the funding level for code enforcement of illegal hotels and Airbnb in the FY19 and FY20 budget?

What is the current\projected funding for staffing for the following units in the FY19 and FY20 budget?

Which unit do you believe needs the most resources and why?

I. Emergency Response Unit

II. Alternative Enforcement Program

III. Proactive Preservation Initiative

IV. Housing Quality Standards Code Inspection Unit

V. Canine Unit

VI. Central Inspection Unit

VII. Lead-Paint Unit

AGENCY RESPONSE:

What is the current staffing level for Supervisors and Inspectors at the Manhattan Code Enforcement office?

Currently, the Manhattan Code Enforcement office has 5 supervisors and 41 inspectors. In addition, there are 44 inspectors that conduct specialized inspections both in Manhattan and the Bronx.

What are the numbers of vacancies for the Manhattan Code Enforcement office?

We currently have 7 vacancies in our Manhattan Code Enforcement office. These vacancies include 2 housing inspectors and 5 supervisors. We are actively seeking to fill them.

What is the current\projected funding for staffing for the following units in the FY19 and FY20 budget?

Staff is usually replaced on a 1 for 1 basis. We can expect the same amount of funding for our current headcount again the following year.

To this end, the current and projected funding for staff in FY 19 and FY20 is as follow:

FY19/FY20
Emergency Response Unit \$ 498,745
Alternative Enforcement Unit \$ 649,837
Proactive Preservation Initiative \$ 647,441

Housing Quality Standards Inspection Unit \$ 862,800

Canine Unit \$ 185,684

Central Inspection Unit \$ 285,918

Lead Paint Unit \$ 4,366,997

Which unit do you believe needs the most resources and why?

HPD continues to be adequately funded for staffing but faces attrition challenges and challenges finding qualified applicants for the positions of housing inspectors and construction project managers. Citywide, we currently have 76 vacancies which constrain resources on all units.

MEETING NOTES:

COMMENTS:

Had a job fair with 100 people at a job fair and have 76 vacancies.

FOLLOW-UP:

AGENDA ITEM 7 : Staffing of IH Division

Did HPD receive funding for additional staff for the Inclusionary Housing (IH) division in the FY19 budget?

Please provide a current organization chart of the IH division along with the number of vacancies.

AGENCY RESPONSE:

Inclusionary Housing did not receive funding for additional staff in the FY 2019 budget. There are currently 10 staff members in this division. Attached please find the current IH org chart, with vacancies included.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

AGENDA ITEM 8 : Stabilizing NYC

Stabilizing NYC is a program that has received Council funding for last 3 years. It is an initiative that supports a coalition of 17 not-for-profit groups that seek to combat the loss of affordable housing at the hands of predatory equity companies, and to defend low-income tenants in predatory equity building from harassment and eviction. Stabilizing NYC combines legal and organizing resources into a citywide front against predatory equity, helping tenants hold their predatory equity landlords accountable for lack of repairs, bogus eviction cases, and affirmative harassment. This allocation includes an enhancement of \$500,000. Will this program receive HPD funding? If not, why not?

AGENCY RESPONSE:

Stabilizing NYC, a coalition of a legal service provider, a research and policy organization, and sixteen grassroots organizations, aims to combat the loss of affordable housing at the hands of predatory equity. Together the partners combine legal, advocacy and organizing resources into a citywide network to help tenants fight patchwork repairs, bogus eviction cases, and affirmative harassment at the hands of predatory equity landlords.

Overall goals include:

- Organizing and education for thousands of low-income tenants in predatory equity buildings.
- Training dozens of tenant leaders in low-income, rent-stabilized buildings, to lead the fight against predatory equity.

- Advocating for stronger laws to protect the rights of rent regulated tenants.
- Preserving thousands of units of affordable housing currently owned by predatory equity companies.
- Winning concrete changes for thousands of tenants in predatory equity buildings, such as rent reductions and essential repairs.
- Providing legal advice and representation to hundreds of tenants in predatory equity buildings.
- Strategizing around larger-scale litigation in Supreme or Federal court to protect and preserve the rights of rent regulated tenants living in predatory equity buildings.

The attached chart provides the breakdown of funding to each organization provided by the City Council. HPD administers those contracts.

MEETING NOTES:

COMMENTS:

Is stabilizing NYC something that HPD wants to take on internally through their own budget or should it stay in Council discretionary fund?

HPD believe it should stay in Council.

FOLLOW-UP:

AGENDA ITEM 9 : City Owned Property

Preservation:

Please provide a list of residential city owned properties, by Community District, that are currently occupied in Manhattan. Which preservation programs are being utilized to maintain the building and extend the units affordability?

New Construction:

Please provide a list of city owned land, by Community District, dedicated to the new construction of affordable units. Excluding the sale of land, what amount of capital subsidy will each of these projects receive and from under what HPD program?

Which of these new construction project will be 100% affordable housing?

AGENCY RESPONSE:

1. Preservation: Please provide a list of residential city owned properties, by Community District, that are currently occupied in Manhattan. Which preservation programs are being utilized to maintain the building and extend the units affordability?

See attached chart.

1. New Construction: Please provide a list of city owned land, by Community District, dedicated to the new construction of affordable units. Excluding the sale of land, what amount of capital subsidy will each of these projects receive and from under what HPD program?

HPD does not release specific addresses for projected pipeline data besides RFPs that have been issued and publicly designated, which can be found <https://www1.nyc.gov/site/hpd/developers/rfp-rfq-rfo.page>. These tentative projects are still under negotiation and subject to change. Additionally, DCAS maintains a list on OpenData of city-owned land including vacant property and lists the agency that controls each parcel.

2. Which of these new construction project will be 100% affordable housing?

HPD does not release specific addresses for projected pipeline data besides RFPs that have been publicly designated, which can be found <https://www1.nyc.gov/site/hpd/developers/rfp-rfq-rfo.page>. These tentative projects are still under negotiation and subject to change.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

OMB will send out document in excel to CBs.

AGENDA ITEM 10 : Expansion of Certificate of No Harassment

Given the Certificates of No Harassment for Inwood and East Harlem program has expanded, has the budget for FY19 and projected FY20 allocated for more staff to implement? Will CONH protection be expanding in other Manhattan Community Districts?

AGENCY RESPONSE:

This three year pilot program would require a Certificate of No Harassment (CONH) before obtaining Department of Building (DOB) permits in pilot Council Districts determined to have both high concentrations of ownership changes and physical distress or who have undergone city-sponsored neighborhood-wide rezonings. This currently includes Manhattan Community Boards 9, 11, and 12. HPD is seeking up to three qualified vendors with experience in field surveys and tenant assistance to conduct investigations on behalf of HPD for the CONH Pilot Program application investigations. The budget for contracting out this work will be approximately \$932,000.00. Processing fees will also be required for all CONH applicants.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

Is portion of that budget put towards outreach and education of the Boards, etc? Can system be made more advanced (we still have to call it in?)

HPD: yes there will be funding allocated towards outreach and education.

AGENDA ITEM 11 : Community Land Trusts

Given the City's recent interest and commitment to explore Community Land Trust, what is the budget allocation to explore this initiative in the FY19 budget and the FY20 projected budget?

AGENCY RESPONSE:

A CLT is a not-for-profit organization formed to own land and maintain control and oversight of houses or rental buildings located on the land. CLTs are a new model for HPD and are relatively untested in the City. HPD began looking into CLTs further in early 2016 and released the CLT Request for Expressions of Interest (RFEI) in January 2017 to learn what ideas local organizations had about how CLTs could be effective in New York City. HPD released the RFEI to identify qualified groups to form a CLT.

While the RFEI was pending, the City applied to and won a grant from Enterprise Community Partners, a national non-profit with strong roots in New York City to fund the growth of three CLTs and to create a Learning Exchange. The Learning Exchange will support nine additional community-based organizations interested in forming CLTs through the organization's new Community Land Trusts Capacity Building Initiative. All of the beneficiaries of the grant funds were respondents to the RFEI. Over two years, the grant will fund operations and start-up support while the CLTs work to identify sites for acquisition. We will continue to provide support to CLTs as they apply to HPD projects.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

Could you name the three CLT's?

1. Partnership for Multiple entities

HPD will email the other names.

CB: is a pipeline for CLT's or pipeline for CLT's?

HPD: Not at this time

AGENDA ITEM 12 : District Specific Budget Question

MCB4 - Will HPD be providing capital subsidy to Harborview Terrace Site 4 on West 55th Street and the Slaughterhouse Site on at 495 11th Avenue?

MCB7 - Please provide an update on the use of the \$50 million fund generated by the monetizing of affordable units by Collegiate School in District 7.

AGENCY RESPONSE:

MCB4 - Will HPD be providing capital subsidy to Harborview Terrace Site 4 on West 55th Street and the Slaughterhouse Site on at 495 11th Avenue?

The review of the NYCHA RFP in connection with Harborview Terrace is ongoing. Once a developer is designated, then HPD will work with them to finance the construction of the project.

The Slaughterhouse site development is being led by EDC. It is currently being underwritten and deal terms have not been finalized.

MCB7 - Please provide an update on the use of the \$50 million fund generated by the monetizing of affordable units by Collegiate School in District 7.

To date we have allocated \$29M of the Collegiate Funds for three projects, Volunteers of America—Rose House, Independence House, and the Brandon—that will preserve the affordability for approximately 343 units.

MEETING NOTES:

COMMENTS:

FOLLOW-UP:

CB7: is West 108th project in process?

HPD: They did not receive the funds, there are no specific projects that will receive those funds

Jesse: CB4 feels HPD should go ahead with RFP for Harborview Terrance.

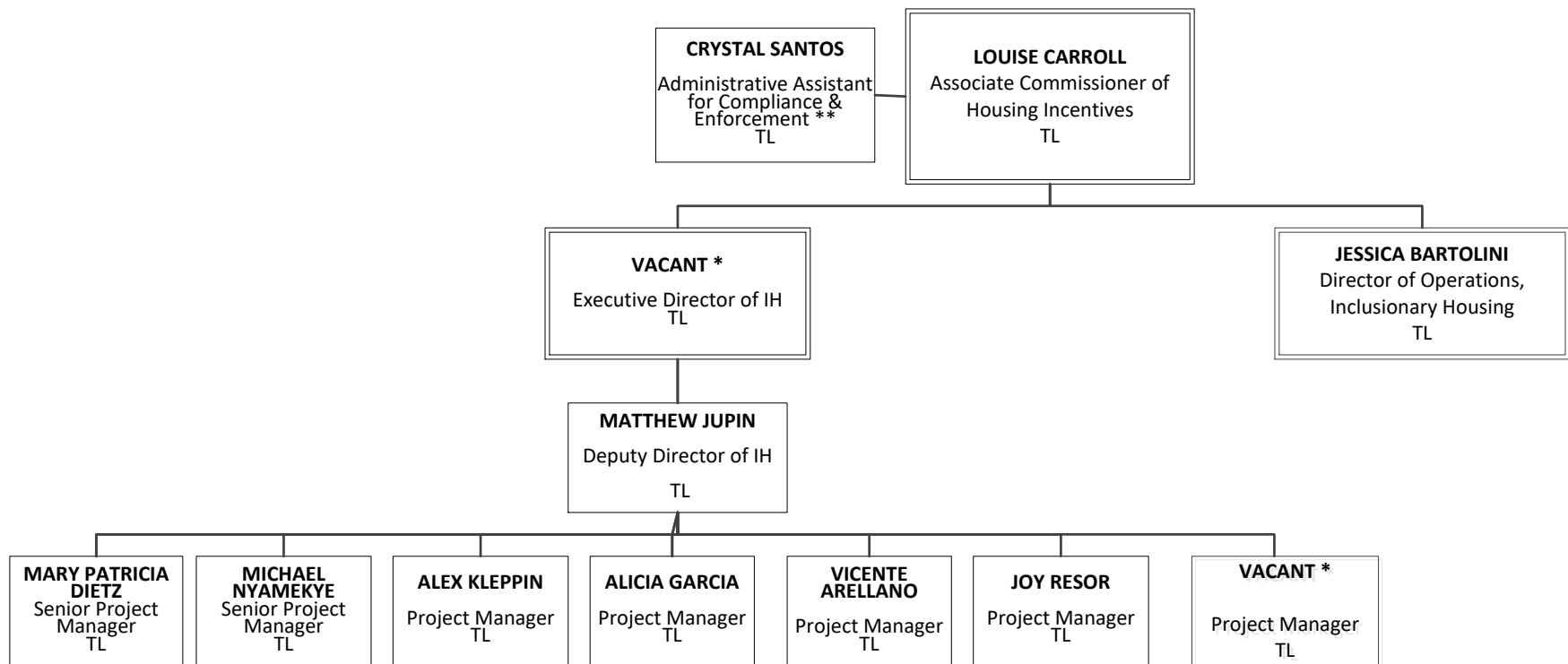
Jesse: if you were able to receive additional funding where would you allocate it?

HPD: We are constantly evaluating our needs, as new legislation arises, we need to keep in mind new projects and initiatives. They would put in technology if they could.

HNY Housing Starts in Manhattan by Primary Program through 6/30/18

Reporting Construction Type	Primary Program at Start	FY	HNY Total
New Construction	421a Standalone	45	246
	ANY (421a) Standalone	139	139
	Extended Affordability Housing Incentives		34
	Extremely Low & Low-Income Affordability		354
	HomeFirst	3	5
	Inclusionary Housing	107	2,660
	Low Income Rental		111
	Mandatory Inclusionary Housing		4
	Multifamily Homeownership		53
	Multifamily Rental - Mixed		259
	Multi-family Rental M2	79	239
	Multi-family Rental- Mix and Match	121	876
	Neighborhood Construction Program		39
	New York State Division of Housing and Community Renewal		65
	New York State Housing Finance Agency		345
	Senior Affordable Rental Apartments	93	93
Supportive Housing - New Construction	117	117	
New Construction Total		704	5,639
Preservation	421a Standalone		50
	Affordable Neighborhood Cooperative Program	94	160
	ANY (421a) Standalone	37	37
	Article 8A Loan		301
	CURE		4
	Extended Affordability Asset Management		74
	Extended Affordability Housing Incentives	245	245
	Extended Affordability Housing Supervision		2,640
	Extended Affordability Preservation		576
	Green Housing Preservation Program		20
	Housing Preservation Opportunities		1,144
	HUD Multi-Family Program	706	2,622
	Inclusionary Housing	428	843
	LAMP - HDC	100	607
	LIHTC Year 15	35	3,127
	Mitchell Lama - HDC	1,995	2,604
	Multifamily Housing Rehabilitation Program	1,634	2,777
	Multifamily Preservation Loan Program	207	361
	New York State Housing Finance Agency		146
	NHS		6
	Non-LAMP Preservation		5,135
	Participation Loan Program	128	429
	SCHAP		1
Senior Housing		203	
Supportive Housing - Rehab	137	422	
TPT		139	
TPT - Tenant Petition	133	133	
Preservation Total		5,879	24,806
Grand Total		6,583	30,445

Boro Short Name	Community Board	Extremely Low (0-30% AMI)	Very Low (31-50% AMI)	Low (51-80% AMI)	Moderate (81-120% AMI)	Middle (121-165% AMI)	Other (Superintendent Units)	Total Affordable Units
MN	3	96	1,176	241	33	70	3	1,619
	4	110	40	49	65	38	2	304
	5	-	281	54	-	-	-	335
	6	-	-	3	-	-	-	3
	7	135	242	113	-	-	1	491
	8	487	163	5	-	21	2	678
	9	3	8	150	74	-	3	238
	10	142	103	341	-	43	10	639
	11	110	1,639	110	26	20	2	1,907
	12	190	47	23	100	6	3	369
MN Total		1,273	3,699	1,089	298	198	26	6,583



* Positions posted and search underway

** The Associate Commissioner's Administrative Assistant line was taken away, so she is currently sharing an Administrative Assistant with the Executive Director of Compliance & Enforcement

Stabilizing NYC vendors

Boro	Vendor Name	Allocation
M	Asian Americans For Equality, Inc.	\$ 137,000.00
BX	Banana Kelly Community Improvement Association, Inc.	\$ 90,000.00
BK	Catholic Migration Services, Inc.	\$ 125,000.00
Q	Chhaya Community Development Corporation	\$ 125,000.00
M	Cooper Square Community Development Committee	\$ 137,000.00
BX	Crenulated Company, Ltd., The	\$ 137,000.00
BK	Fifth Avenue Committee, Inc.	\$ 102,000.00
BK	Flatbush Development Corporation	\$ 137,000.00
M	Good Old Lower East Side, Inc.	\$ 102,000.00
M	Housing Conservation Coordinators, Inc.	\$ 125,000.00
BX	Mary Mitchell Family and Youth Center, Inc.	\$ 125,000.00
BX	Northwest Bronx Community and Clergy Coalition, Inc.	\$ 125,000.00
BK	Pratt Area Community Council, Inc.	\$ 102,000.00
BK	St. Nick's Alliance Corporation	\$ 125,000.00
M	Urban Homesteading Assistance (U-HAB), Inc.	\$ 136,000.00
M	Urban Justice Center	\$ 545,000.00
Q	Woodside on the Move, Inc.	\$ 125,000.00
Total:		\$ 2,500,000.00

The Department of Housing Preservation and Development is dedicated to improving the availability, affordability and quality of housing in New York City

1. Housing development: financing the new construction and rehabilitation of affordable housing.
2. Code enforcement: performing inspections to assess compliance with the Housing Maintenance Code, followed by emergency repairs and litigation when necessary.
3. Asset management: ensuring that affordable housing is financially and physically viable, and adhering to regulatory agreements.
4. Property management: maintaining the remainder of the City-owned housing stock.
5. Rental assistance: managing federal rental subsidies, and aligning with programmatic priorities.

New York City Budget Overview

Three key characteristics of the City budget:

- Driven by the Executive branch of government (Mayor).
- City is required by law to have a balanced budget.
- Firm dividing lines between expense and capital.

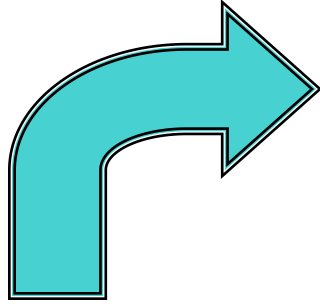
Expense

- Supports salaries, contracts for services, and small-scale purchases.
- Four year plan, incremental changes to previous forecast of a given year.
 - PS: Personal Services – salary, fringe
 - OTPS: Other Than Personal Services – program costs and operating costs

Capital

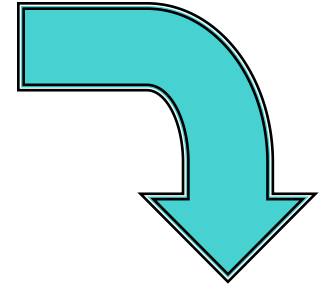
- Supports new construction and rehabilitation projects (primarily loans).
- 10 year plan, reforecast entire plan each cycle.

Budget preparation is an ongoing exercise...



September and November Plans

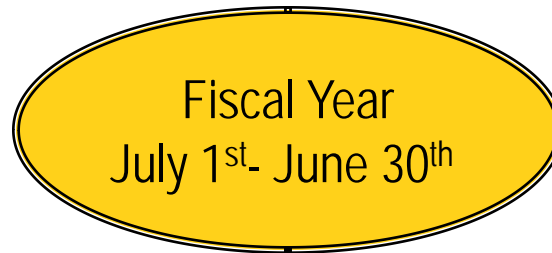
- Community Boards prepare plans
- Roll of unspent funds from previous fiscal year
- Possible budget cut starting in current FY



Adopted Budget

June 5th

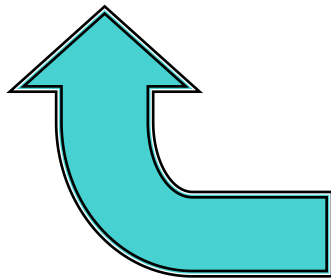
- City Council negotiates with Mayor based on Executive Budget
- Borough President & City Council line item additions
- Appropriations Approved



January Budget

January 16th

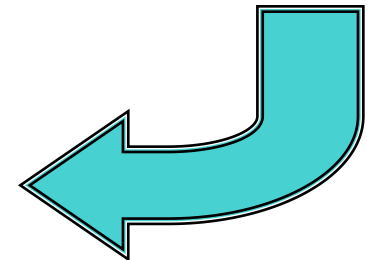
- 1st Budget Draft
- Assess City Cash position
- Mid-fiscal year reforecast
- City Council hearings
- Possible budget cut for next FY



Executive Budget

April 25th

- Mayor's official budget for upcoming fiscal year
- City Council hearings
- Appropriations generated
- Possible budget cut for next FY



HPD Budget Overview

Division of Budget

FY2019 Adopted Financial Plan

HPD's Budget Consists of Two Parts

- **Expense:** Funds for day-to-day agency operations
 - Supports salaries, contracts for services, and small-scale purchases
 - Funds programs such as:
 - Code enforcement
 - Emergency Repair Program (ERP)
 - Shelters for emergency vacates
 - Housing & Vacancy Survey (HVS)
- **Capital:** Funds for major improvements or asset purchases
 - Funds HPD loan programs (*e.g.*, ELLA, SARA, Mix & Match), which support the new construction and preservation of affordable housing
 - Backed by city issuance of general obligation bonds

HPD Largely Funded by Federal Grants

FY2019 Expense Budget Total*	+	\$	803.29	Million
City Funds	-		133.42	17%
State & Other	-		3.11	< 1%
Federal Funding Sources	=	\$	666.76	83%
<i>Rental Assistance</i>			495.77	62%
<i>Community Development Block Grant</i>			141.46	18%
<i>Disaster Recovery</i>			20.01	2%
<i>HOME</i>			7.80	1%
<i>Other Federal Grants</i>			1.72	< 1%

***Total excludes \$339 million in pass-through funding appropriated to NYCHA**

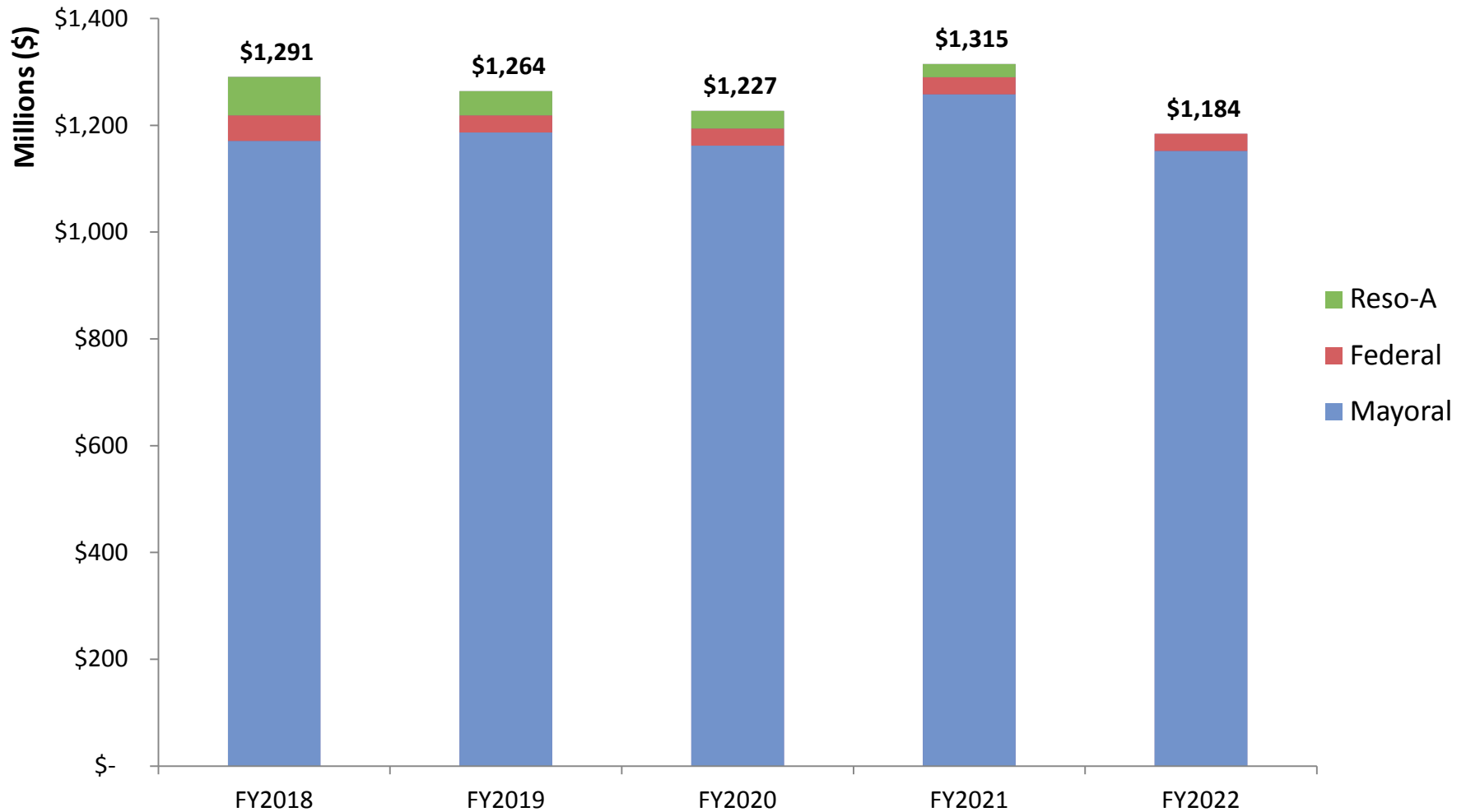
Expense Budget Planning

- Since the overwhelming majority of HPD's expense budget funding comes from federal sources, allocations are based on annual federal appropriations as made by the Congress
- Federal funding, such as the Community Development Block Grant (CDBG), supports HPD's core programs and operations
- City tax levy funding is used for HPD administration and to fill gaps in programs that are not eligible for federal grant funding

Mayor's Commitment to *Housing New York*

HPD Five-Year Capital Plan

FY2019 Executive Budget: \$6.28 Billion



capital budget is often front-loaded due to current-year Reso-A allocations and previous-year roll-overs

Capital Budget Planning

- HPD sets capital funding levels by program term sheet using development project pipeline projections and unit start targets in the Mayor's Management Report (MMR)
- Capital funds are allocated citywide, not by geography
- Funding is tied to specific projects, which originate from:
 - Private development proposals
 - Public-site disposition Requests for Proposals (RFPs)
- However, most projects come from private sponsors
 - 10% of the 109,767 units starts counted under HNY to date were associated with publicly-owned land

Thank You!
Questions?