

# About

HPD launched the Bed-Stuy Housing Initiative to evaluate and improve upon the agency's affordable housing investments in Bedford-Stuyvesant. Through targeted stakeholder engagement, the initiative has coordinated with housing-related agencies working in Bed-Stuy, to ensure that HPD programs and capital investments are working towards common objectives for the neighborhood, and that any housing developed on public land responds to local needs.

The initiative will result in the creation of a neighborhood housing plan, informed by the community, that centralizes information and tracks City initiatives. It will coordinate agencies working in the neighborhood to ensure that programs and capital investments – including the redevelopment of vacant City-owned land – are working towards common objectives for the people that live, work, and play in Bed-Stuy. Today's workshop aims to share the draft strategies for the final plan and gather community feedback and ideas on these strategies.



# Timeline and Next Steps

<b>01</b> <b>Learn</b> January - April 2019	<b>02</b> <b>Create</b> May - October 2019	<b>03</b> <b>Finalize</b> September 2019 - January 2020	<b>04</b> <b>Implement</b> 2020 and Ongoing
Learn about residents' lived experience, provide resources, and develop shared goals.  Activities: <b>Roundtable for Community Partner Organizations</b> March 21, 2019  <b>Public Workshop 1: Kick-Off and Housing Resource Fair</b> April 30, 2019  <b>Homeowner Listening Session</b> April 30, 2019	Brainstorm solutions and strategies with the community.  Activities: <b>Roundtable for Community Partner Organizations</b> May 14, 2019  <b>Preservation Stakeholders Meetings</b> June 5 & 6, 2019  <b>Public Workshop 2: Visioning for the Redevelopment of Vacant City-owned Land</b> June 26, 2019  <b>Homeowner and Property Owner Clinic</b> August 10, 2019	Create solutions that have consensus and potential to achieve Initiative goals.  Activities: <b>Roundtable for Community Partner Organizations</b> September 16, 2019  <b>Preservation Stakeholders Meetings</b> September 24 & 26, 2019  <b>Roundtable for Community Partner Organizations</b> December 17, 2019  <b>Public Workshop 3: Confirm and Prioritize</b> January 15, 2020	Coordinate agency programs for implementation of key Initiative elements.  Activities: <b>Roundtable for Community Partner Organizations</b> February 2020  <b>Public Workshop 4: Housing Initiative Report Release and Resource Fair</b> March 2020  <b>Affordable Housing Development Info Sessions for Faith-Based and Local Property Owners</b> 2020  <b>Issue Requests for Proposals</b> 2020

## Neighborhood Goals:

The following goals have emerged through the planning process and are addressed holistically throughout the plan.

- 01 Enhance resource delivery to homeowners and tenants**
- 02 Support owners in financial distress and under pressure to sell**
- 03 Promote safe and healthy housing**
- 04 Reduce housing speculation and illegal activities**
- 05 Create new affordable rental and homeownership opportunities on underutilized land**



# WHAT WE LEARNED: Issues & Assets

## Hot market and predatory behavior are driving rapid demographic changes.

Trendy neighborhood, with high investor activity. BK03 is second highest city-wide in price appreciation of repeat sales<sup>1</sup>

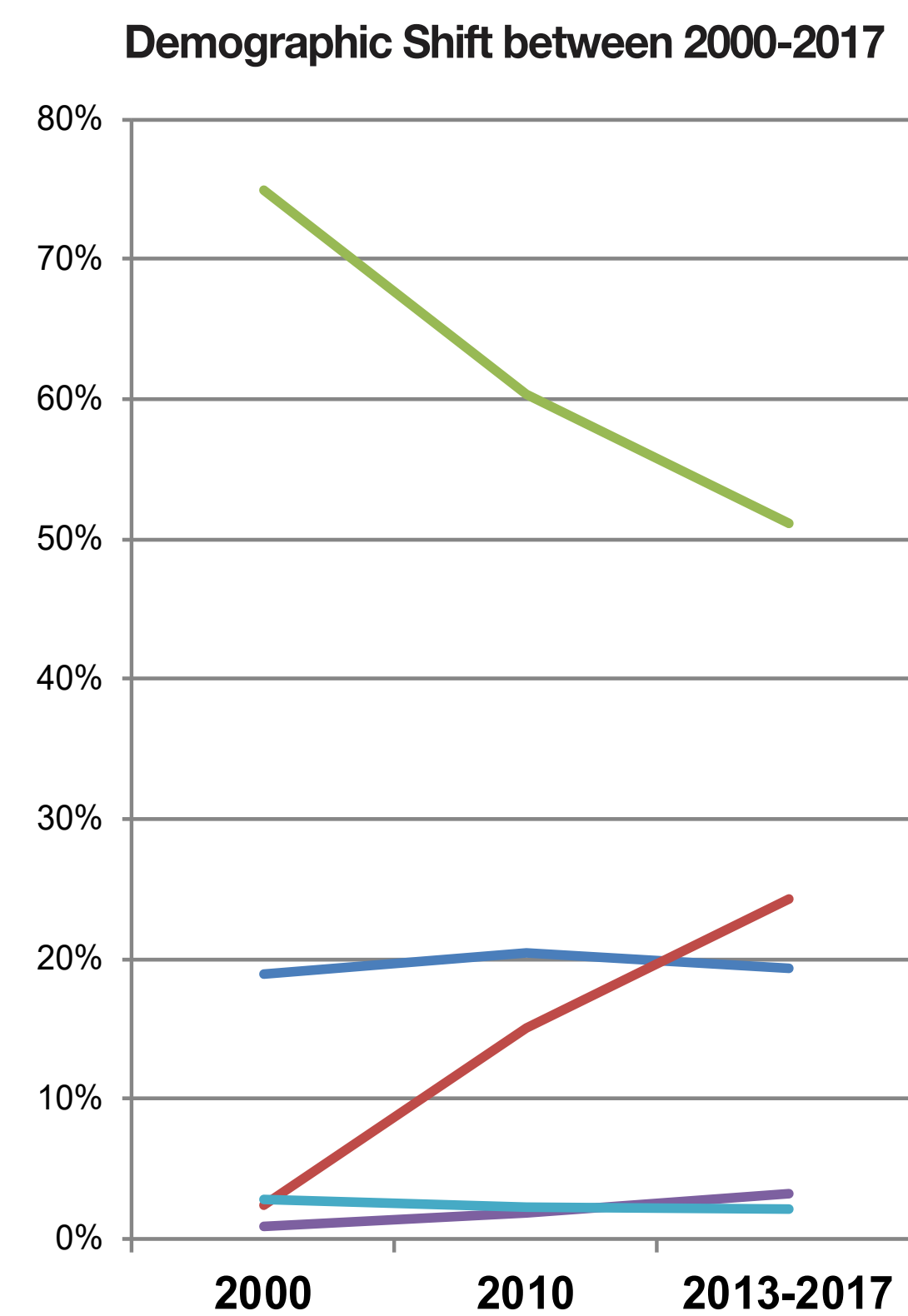
Between 2011-2017, median gross rent in Bed-Stuy increased by more than double the city's rate (23% vs 11%)<sup>2</sup>

Bed-Stuy has been an epicenter of deed scams in Brooklyn, targeting seniors and owners in foreclosure<sup>3</sup>

A hotspot for illegal Airbnb activity in BK<sup>4</sup>

Majority of residents are Black, though demographics are changing rapidly<sup>5</sup>

<sup>1</sup> Based on HPD Office of Policy and Strategy Housing Price Index 2018  
<sup>2</sup> Housing and Vacancy Survey (HVS) 2011 and 2017; normalized to 2017 dollars  
<sup>3</sup> Attorney General's Office, 2015-2019  
<sup>4</sup> Office of Special Enforcement, 2019  
<sup>5</sup> US Census 2000 and 2010; ACS 2013-2017; based on census tracts that approximates BK03. Overall population increased by 20%

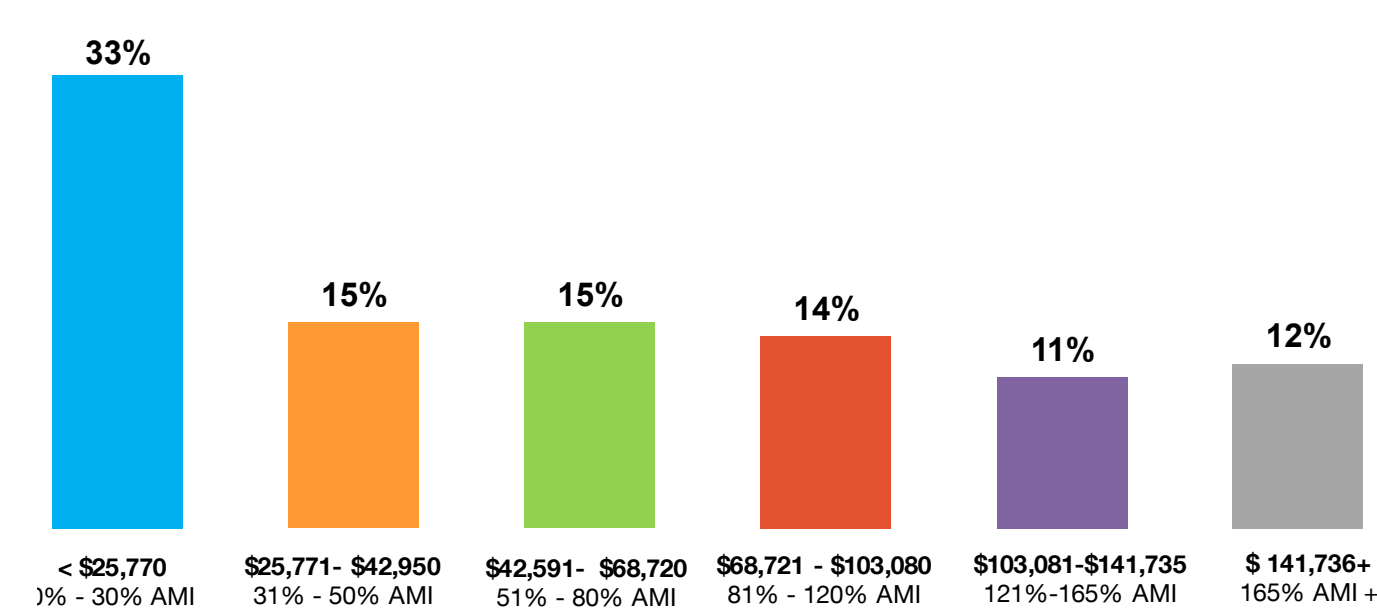


## Households are under-resourced

Half of all households earn extremely low to very low incomes (0-50% of AMI, or less than \$48,050 per year for a family of three)<sup>1</sup>

<sup>1</sup> Sample incomes are for a three-person household based on 2017 Income Limits; ACS 2013-17

Household Incomes in BK03 (2013-2017)



## Key assets and opportunities

There is a network of active community-based service providers and elected officials dedicated to serving Bed-Stuy.

There is a network of churches, barber shops, salons, local businesses, block associations, and other trusted local sources of information

Network of faith-based organizations with under-developed land that may be interested in affordable housing development

The city owns five vacant public sites which it will use to develop 600+ new affordable housing and community amenities

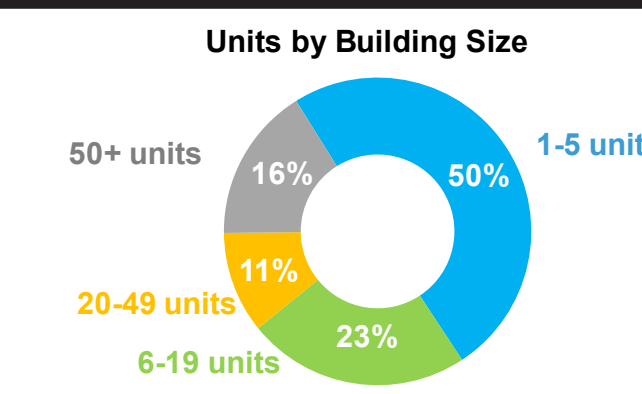
## Mostly unregulated housing stock that is physically and financially distressed

Half of homes in Bed-Stuy are in small buildings (1-5 units), while 80% of homes are renter-occupied<sup>1</sup>

25% of homes are in buildings that are government-assisted with regulated rents, including 13% NYCHA<sup>2</sup>

The building stock is aging, with nearly two-thirds of all homes (65%) in buildings built before 1947<sup>3</sup>

About 23% of units have three or more maintenance deficiencies<sup>4</sup>



<sup>1</sup> NYC Housing and Vacancy Survey (HVS) 2017  
<sup>2</sup> HPD Office of Policy and Strategy 2018; includes NYCHA properties as of 12/2016  
<sup>3</sup> NYC Housing and Vacancy Survey (HVS) 2017; maintenance deficiencies include insufficient heating in winter, heating breakdowns, cracks or holes, presence of rodents, peeling paint, broken plaster, toilet breakdowns, and water leaks  
<sup>4</sup> NYC Housing and Vacancy Survey (HVS) 2017; maintenance deficiencies include insufficient heating in winter, heating breakdowns, cracks or holes, presence of rodents, peeling paint, broken plaster, toilet breakdowns, and water leaks

## Limited affordable housing new construction, relative to market rate

Low density zoning and high land costs make financing affordable housing difficult.

Since 2014, HPD has financed 720 new affordable homes in BK03, most still under construction.<sup>1</sup>  
 • 69% for extremely low- to low-income

From 2014 to 2019, ~4,000 new units in BK03 received final Certificates of Occupancy for new buildings (11% of new units in BK).<sup>2</sup>

Since 2018, as-of-right development using the NYS 421a tax abatement has resulted in 14 Housing Connect lotteries displaying with affordable units only for 130% AMI households.

Few homeownership opportunities are affordable to low and moderate income households. 2BR condos in Bed-Stuy average \$900,000.<sup>3</sup>

<sup>1</sup> HPD Performance Management and Analytics 2019  
<sup>2</sup> DOB Certificates of Occupancy for New Buildings, Oct 2019  
<sup>3</sup> Based on StreetEasy summary conducted 9/23/19

New Construction Affordable Housing Financed in BK03 (2014-2019)

AMI Groups for Housing New York	Number of Homes
Extremely Low Income	110
Very Low Income	47
Low Income	345
Moderate Income	102
Middle Income	114
Other	2
<b>Grand Total</b>	<b>720</b>

## Challenges with Resource Delivery

Owners expressed confusion about maintenance responsibilities which can lead to accumulating fines

Concentration of professional investors also means oversaturation with information and aggressive solicitation by realtors, including housing scams

Aging owners face additional barriers

While owners have access to a variety of CBOs, they often approach providers too late and there are limited emergency funds immediately available

There are available low- to no-interest forgivable financing resources, but owners are hesitant to take on debt

## Active City and State investments in housing stabilization

HPD has more than 850 new construction affordable homes in the pipeline over the next 2-3 years, including 130 homeownership opportunities.

Since 2014, HPD has preserved 2,300 affordable homes in Bed-Stuy, 93% for extremely low- to low-income households.

HPD completed 86 surveys of zombie homes in Bed-Stuy and continues to notify and refer maintenance issues to hold owners accountable.

NYCHA has incoming investments in building new senior housing (at Sumner Houses), preservation through PACT-RAD in four developments, and lead/rat action plans in multiple developments.

HCR Vital Brooklyn is investing in health and housing, including 122 affordable senior apartments in the pipeline (by Interfaith Hospital).

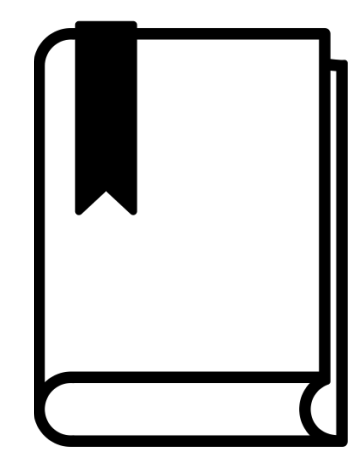
HRA funds free legal services in four Zip Codes in Bed-Stuy.



# 01 Enhance resource delivery to homeowners and tenants

Throughout the Bed-Stuy Housing process, homeowners expressed confusion about property maintenance responsibilities which are sometime theirs and other time's the City's, in some cases the confusion can lead to accumulating fines. Bed-Stuy homeowners report that they are oversaturated with information and often aggressive solicitation, including scams, from professional investors. Tenants, especially in small non-rent stabilized buildings, have limited protections relative to tenants in other neighborhoods wuth larger building and may face challenges navigating their rights and resources, especially under the new Housing Stability and Tenant Protection Act (2019). Renters that are looking for new affordable housing have expressed challenges with the application process. However, there is a strong network of local organizations in Bed-Stuy dedicated to supporting homeowners and tenants and stabilizing the neighborhood, many of whom are contracted by the City to provide these services. HPD seeks to enhance service delivery to owners and tenants by better centralizing information on rights and resources, and by working more closely on outreach and education with community-based organizations, homeowner and tenant associations, and other local small businesses.

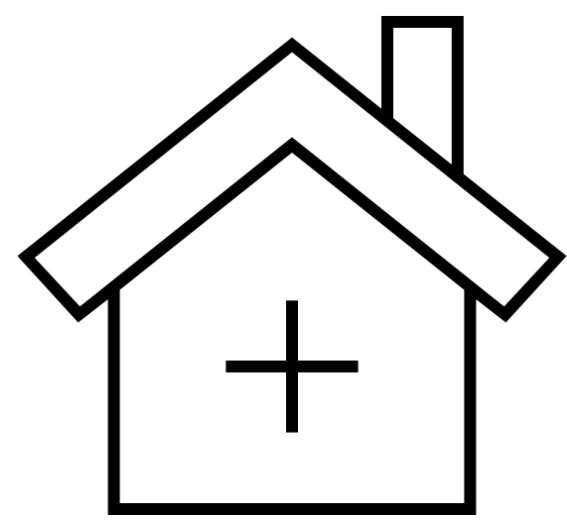
## Draft Strategies:



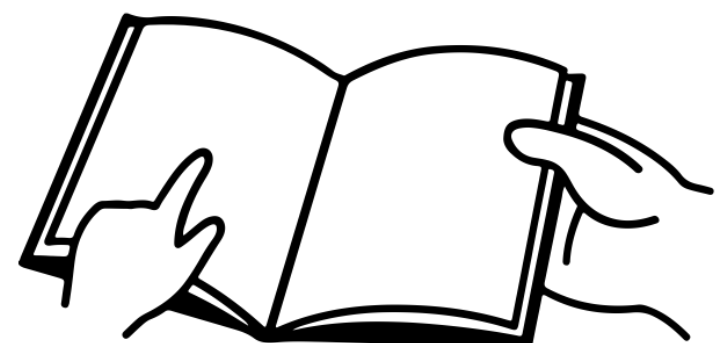
**1.1** Create and distribute a Bed-Stuy Homeowners Manual to centralize information on homeowner responsibilities and how to access resources



**1.2** Create a Bed-Stuy Homeowner Help Desk to provide legal and financial counseling\*\*



**1.3** Host Tenant Clinics to provide individualized assistance for tenants to know their rights and access resources



**1.4** Work with the Tenant Support Unit and the Mayors Office to Protect Tenants to proactively educate tenants on their rights and resources under the Housing Stability and Tenant Protection Act of 2019



**1.5** Recruit more Housing Ambassadors in Bed-Stuy, including faith-based organizations, to help residents apply for affordable housing

\*\*Still exploring potential funding and/or scope with partner agencies

## What do you think?

Use post-its to tell us what you like and to write suggestions!

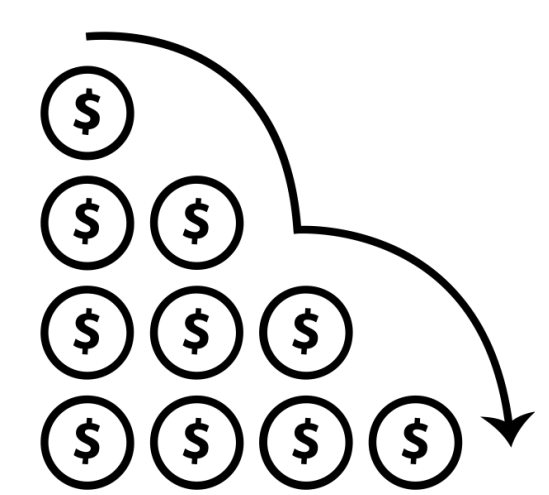
Bring affordable housing to Bed-Stuy!



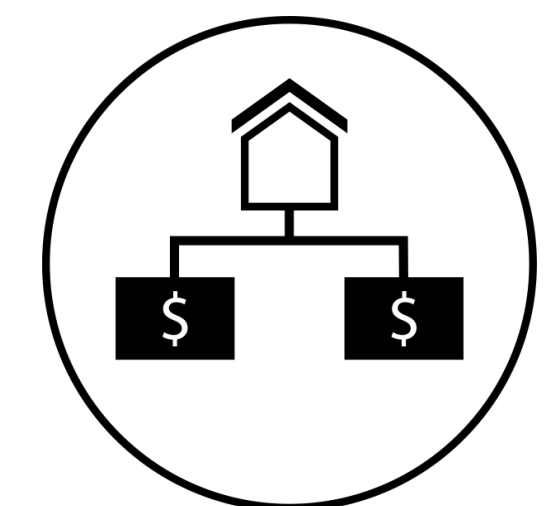
# 02 Support owners in financial distress and under pressure to sell

HPD and partners look support Bed-Stuy homeowners facing distress, pressures to sell, and ultimately displacement, by expanding, improving, and connecting more owners to tax benefit programs, estate planning services, emergency financial assistance, and other capacity-building resources.

## Draft Strategies:



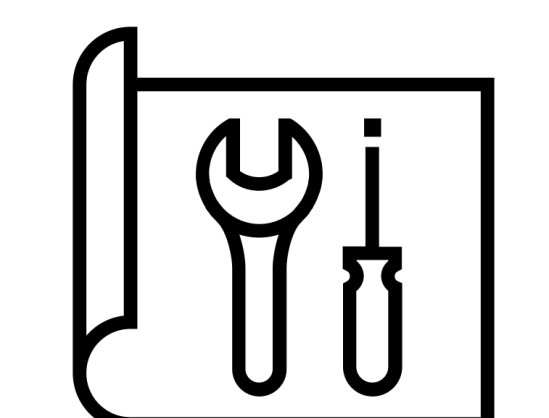
**2.1** Enroll more Bed-Stuy homeowners in programs to reduce homeownership costs (e.g., DOF and DEP payment plans, STAR, DHE, and SCHE)



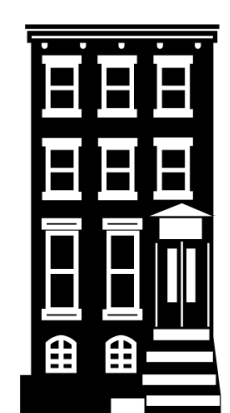
**2.2** Expand preventative outreach and resources for owners to conduct estate planning, financial management, and property appraisal to avoid deed scams\*\*



**2.3** Work to expand emergency financial assistance to prevent foreclosure\*\*



**2.4** Offer home maintenance classes for Bed-Stuy homeowners to help owners reduce overall repair costs\*\*



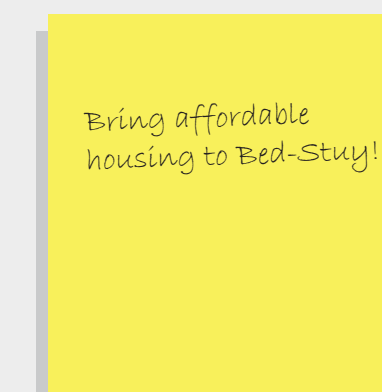
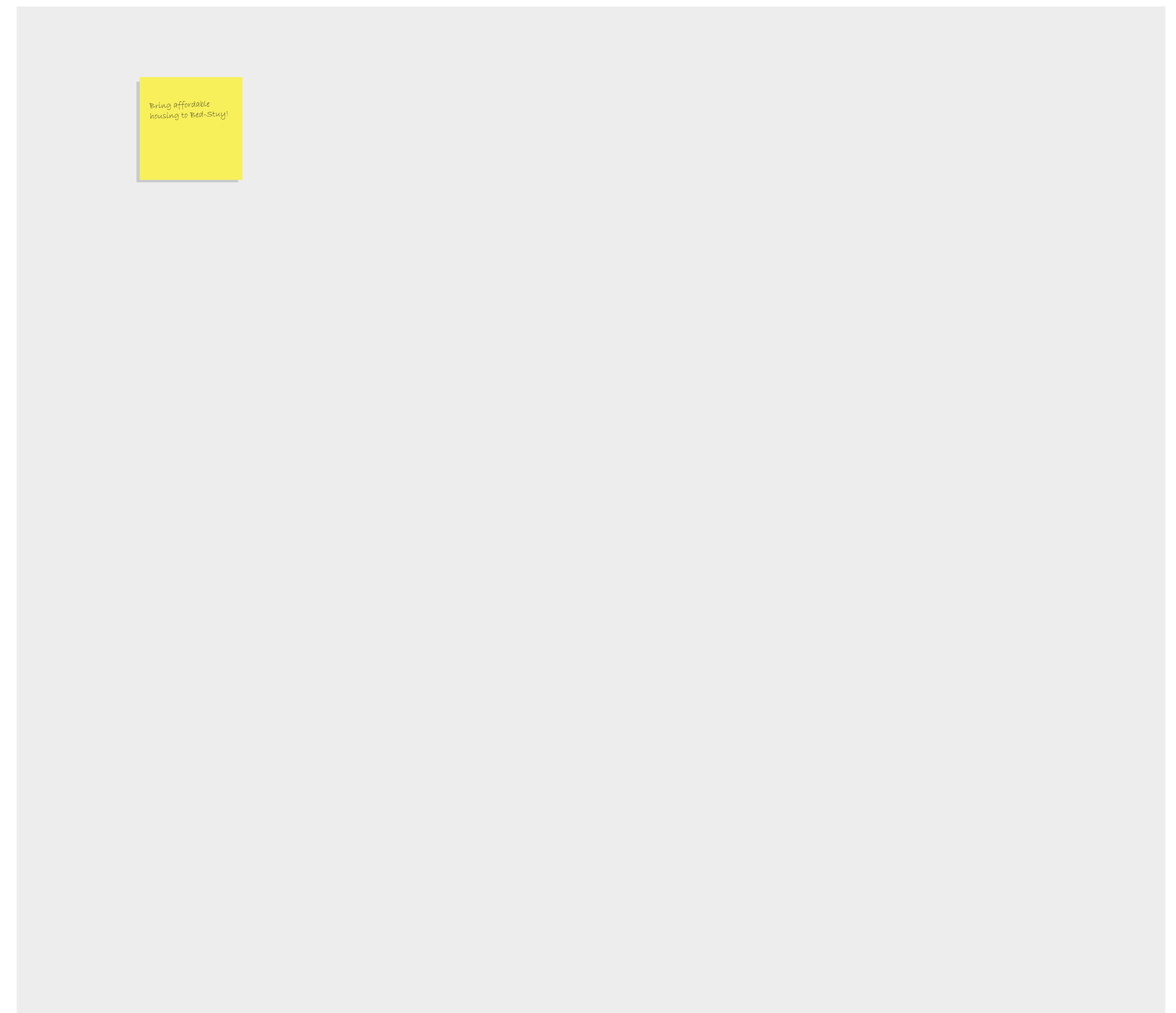
**2.5** Explore ways to expand support and technical assistance for HDFC cooperatives\*\*



**2.6** Explore with partner agencies opportunities to assist owners on or at-risk-of being on the Tax Lien Sale to stabilize their properties\*\*

### What do you think?

Use post-its to tell us what you like and to make suggestions for changes.



\*\*Still exploring potential funding and/or scope with partner agencies



# 03 Promote Safe and Healthy Housing

As buildings age, maintenance and repair needs grow. Nearly two thirds of all homes in Bed-Stuy were built before 1947. Almost one in every four dwelling in Bed-Stuy has at least three maintenance deficiencies, such as insufficient heating, cracks or holes, presence of pests, peeling paint, water leaks, etc. NYCHA and HPD seek to implement service improvements, financing resources, technical assistance, and enforcement tools to improve management, repairs, and improve housing quality for both homeowners and renters.

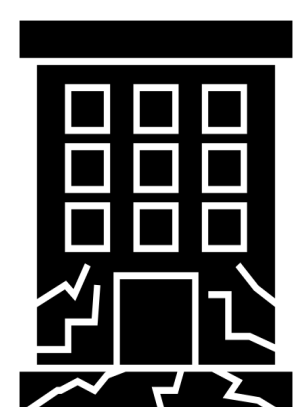
## Draft Strategies:



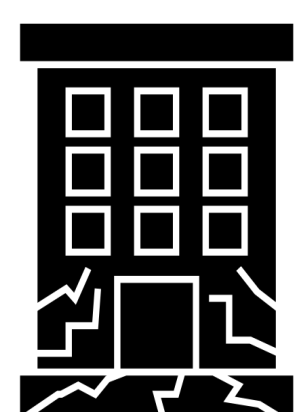
**3.1** Improve housing conditions for public housing residents in four Bed-Stuy NYCHA developments through PACT-RAD and by implementing lead, rat, and mold remediation in other developments (NYCHA)



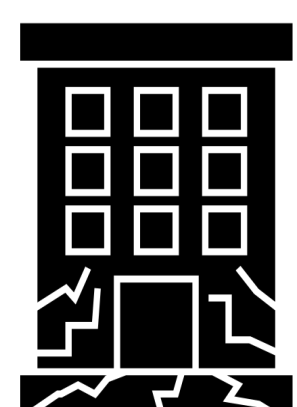
**3.2** Offer low-interest loans to support home repairs and improvements, including accessibility modifications (HomeFix)



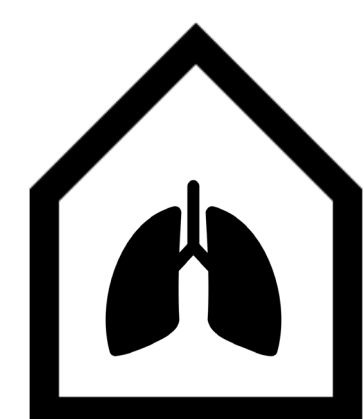
**3.3** Provide assistance to small property owners to work with HPD to stabilize their buildings and keep rents affordable for tenants (Landlord Ambassadors)\*\*



**3.4** Proactively identify and survey larger buildings with signs of physical distress to improve housing quality for tenants and support owners to make repairs



**3.5** Continue monitoring and enforcing the maintenance of Zombie Homes and explore acquisition strategies



**3.6** Explore ways to work with tenant organizers to proactively identify and address building issues that are contributing to asthma\*\*

\*\*Still exploring potential funding and/or scope with partner agencies

## What do you think?

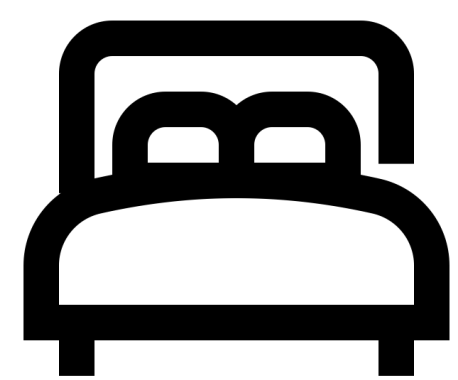
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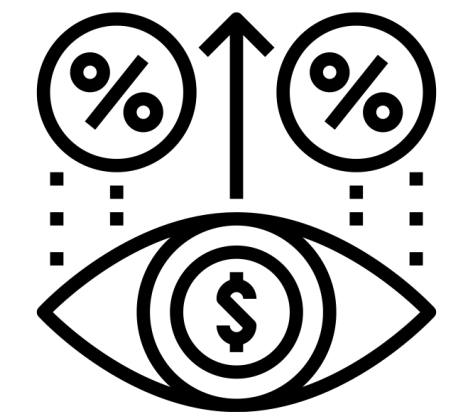
## 04 Reduce housing speculation and illegal activities

As a hot housing market, Bed-Stuy has seen a lot of investor activity, including speculation and illegal activity leading to increased property values, rents, and rapid turnover of residents. Brooklyn CB3 ranks as the second highest neighborhood in price appreciation of repeat sales. Owners have reported repeat harassment and solicitation from buyers and investors to sell their homes, often at prices below its true market value. Bed-Stuy has also been a hot-spot for illegal Airbnb activity, where entire residential apartments, and sometimes apartment buildings, operate as commercial short-term rentals/hotels, taking away potential rental homes from the market.

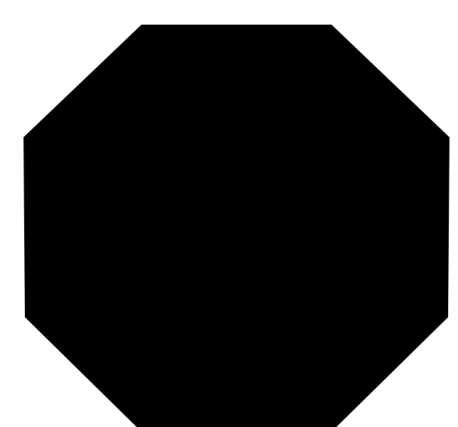
### Draft Strategies:



**4.1** Explore targeted enforcement of illegal Airbnb hotels in Bed-Stuy that may be taking away units from the rental market\*\*



**4.2** Engage lenders, bank regulators, and advocates to improve lending practices and disincentivize speculative lending

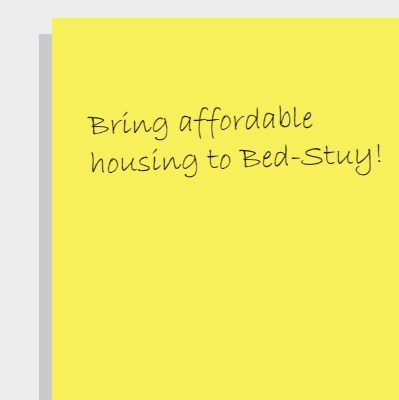


**4.3** Support the community in advocating at the State level for a Cease and Desist zone in Bed-Stuy

\*\*Still exploring potential funding and/or scope with partner agencies

### What do you think?

Use post-its to tell us what you like and to make suggestions for changes.

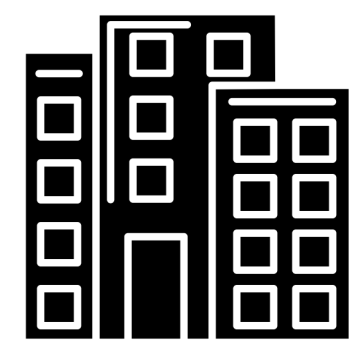




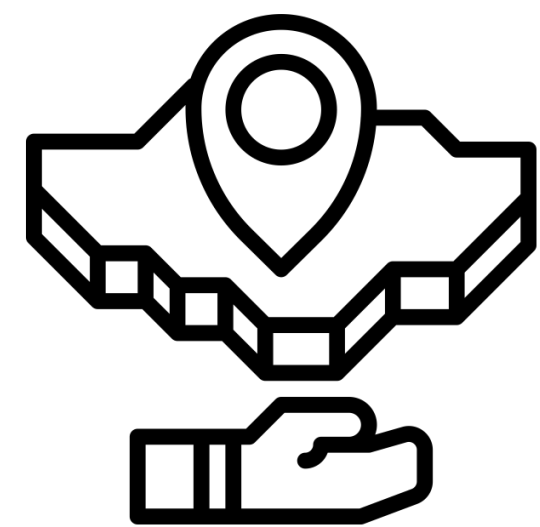
# 05 Create new affordable rental and homeownership opportunities on underutilized land

In addition to strategies that preserve existing affordable housing in the neighborhood, HPD is also implementing a set of strategies to create new affordable homes, both rental and ownership opportunities, on underutilized land in the neighborhood.

## Draft Strategies:



**5.1 Issue the Bed-Stuy RFPs to create 600 new affordable homes with community amenities on City-owned land**



**5.2 Use public land and partnerships to prioritize affordable rentals for populations most in need:**

**Affordable senior:**

- NYCHA Next Gen: The Atrium - Senior (RiseBoro)
- Vital BK: Herkimer Gardens - Senior (Federation of Organizations)
- 811-817 Lexington - Senior (IMPACCT)

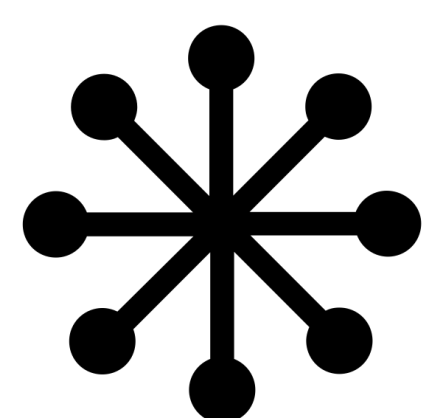
**Extremely low- to low- and formerly homeless:**

- 776-780 Myrtle (IMPACCT)
- Dekalb Commons – Bed-Stuy I and II (St Nick’s Alliance)
- M/WBE RFP Site B + private site (Dabar)



**5.3 Use small public sites to create affordable homeownership opportunities for first-time buyers:**

- Rochester Suydam NIHOP (Jobe Development)
- Bed-Stuy East + Weeksville NIHOP (Habitat)
- Bed-Stuy Central + North NIHOP (Shelter Rock)



**5.4 Conduct targeted outreach to Bed-Stuy faith-based groups or other property owners with underbuilt properties to develop affordable housing.**



**5.5 Recruit more Housing Ambassadors in Bed-Stuy, including faith-based organizations, to help residents apply for affordable housing**

\*\*Still exploring potential funding and/or scope with partner agencies

## What do you think?

Use post-its to tell us what you like and to write suggestions!



# Bed-Stuy RFP Preliminary Site Goals

There are a total of five sites that will be part of the Bed-Stuy Requests for Proposals. Each will be a mixed-use building, meaning 100% affordable housing on the upper floors, and community amenities on the ground floor. This summer, HPD conducted a public workshop, online/paper questionnaires, and street-tabling to collect feedback on what residents hoped to see on the public sites. Through the Bed-Stuy Housing Initiative planning process, we heard from the community an overall desire for all of the RFP sites to contribute to:

- Affordability and neighborhood stabilization for a range of households, including seniors, extremely low- to low-income renters, formerly homeless, and first-time buyers
- Community wealth building, workforce development, and financial wellbeing, especially for residents historically excluded from the economy
- Community health, wellness, and healing
- Preservation and elevation of the neighborhood’s social and cultural history and community-building through the celebration of diversity
- Foster meaningful opportunities for smaller/emerging developers and MWBE developers

Building on this input, HPD conducted more analysis of what was nearby and around each of the sites (including other types of housing or amenities, both existing and incoming), and assigned preliminary site goals to make sure each site can contribute to the common goals identified, as well as complement each other and avoid being duplicative. Please provide your feedback on these draft site goals!

## Affordable Housing Pipeline Community District 3, Bedford-Stuyvesant, Brooklyn

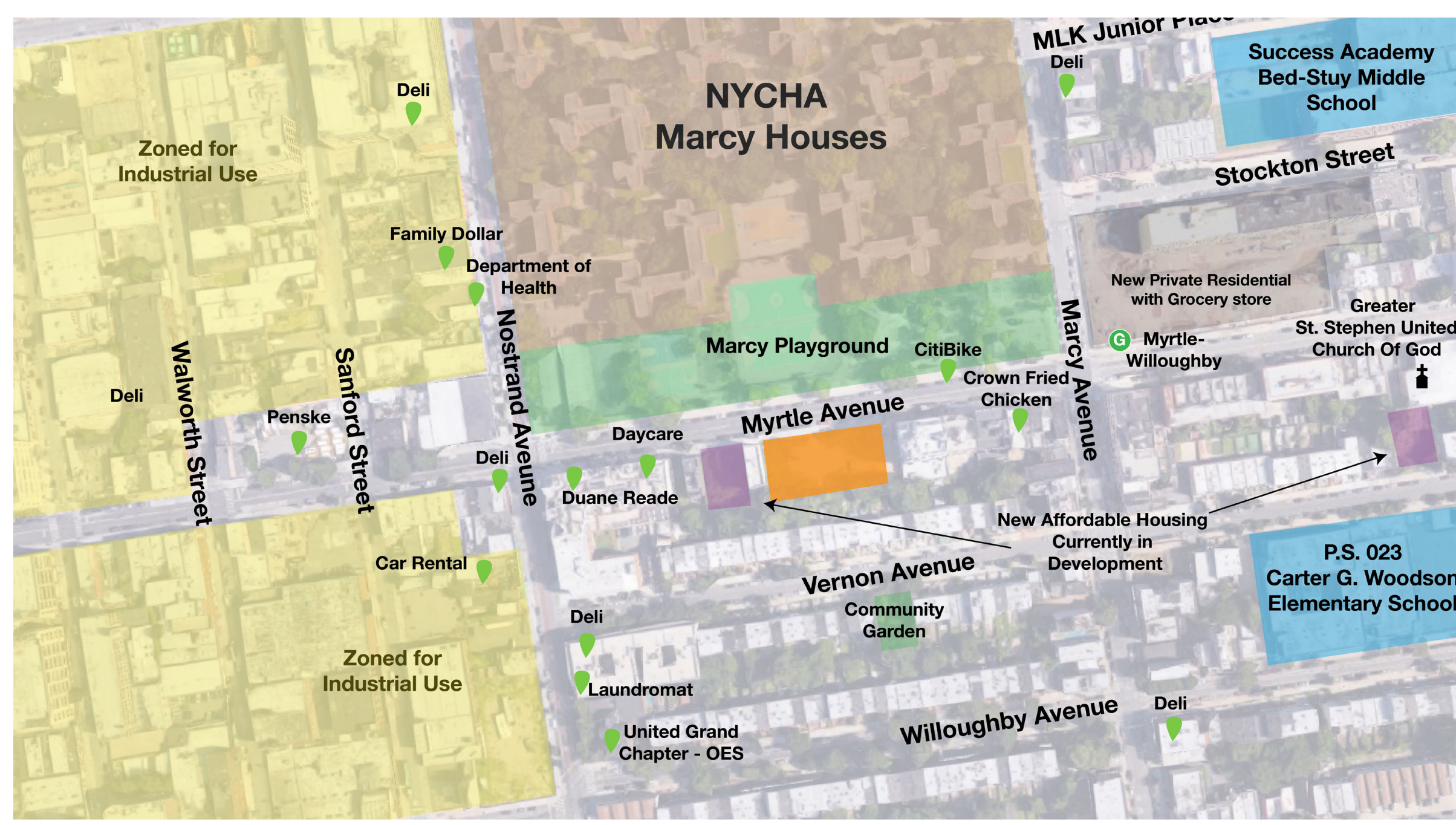


Sources: MapPLUTO 2018; HPD Data Revised December 2019

## Myrtle-Marcy

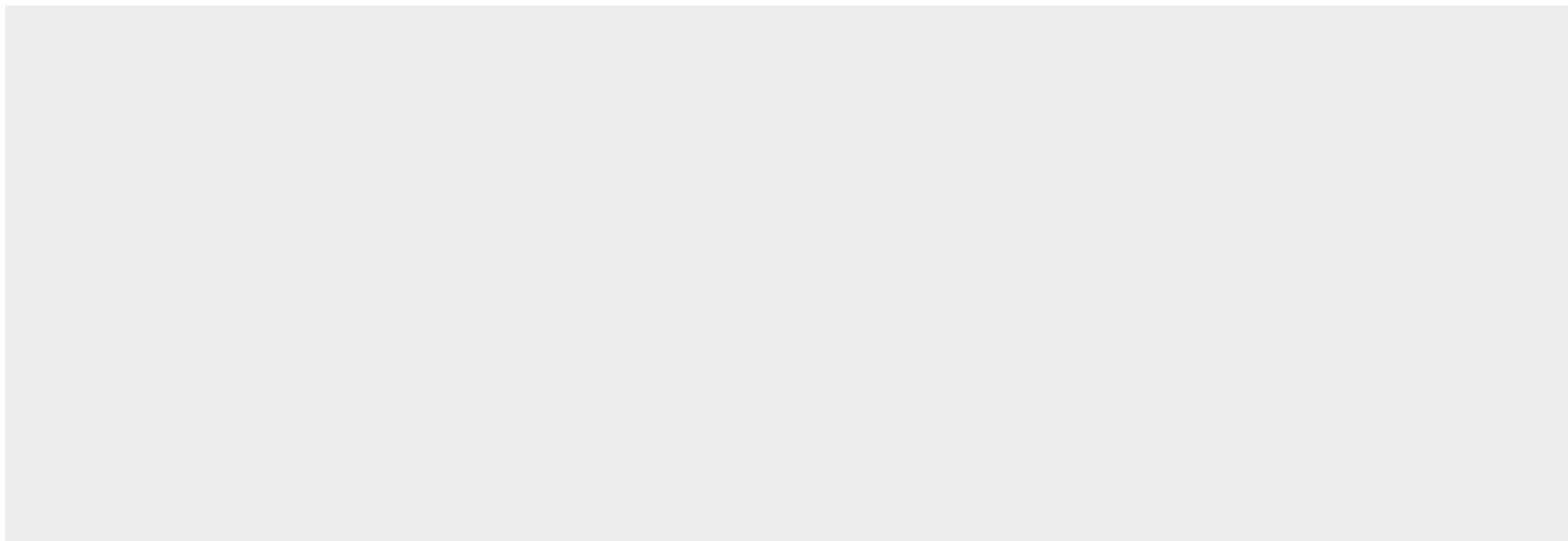
### Space for Diverse Communities

Proposals for this site are encouraged to employ creative strategies for creating a setting where different social and cultural communities and practices are accommodated, and are therefore able to share a sense of recognition in and ownership of the space.



### What do you think?

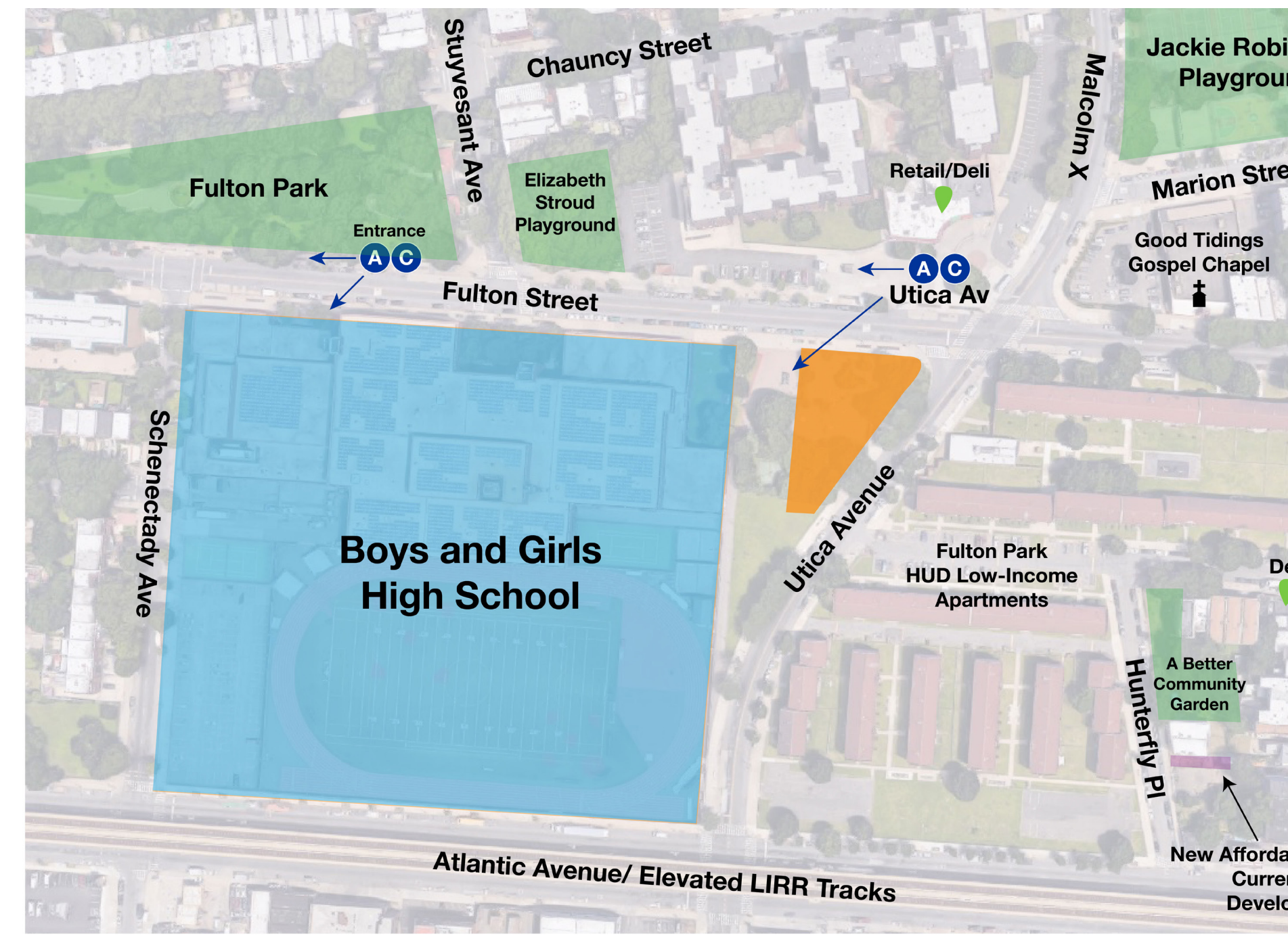
Use post-its to tell us what you like and to make suggestions for changes.



## Fulton-Utica

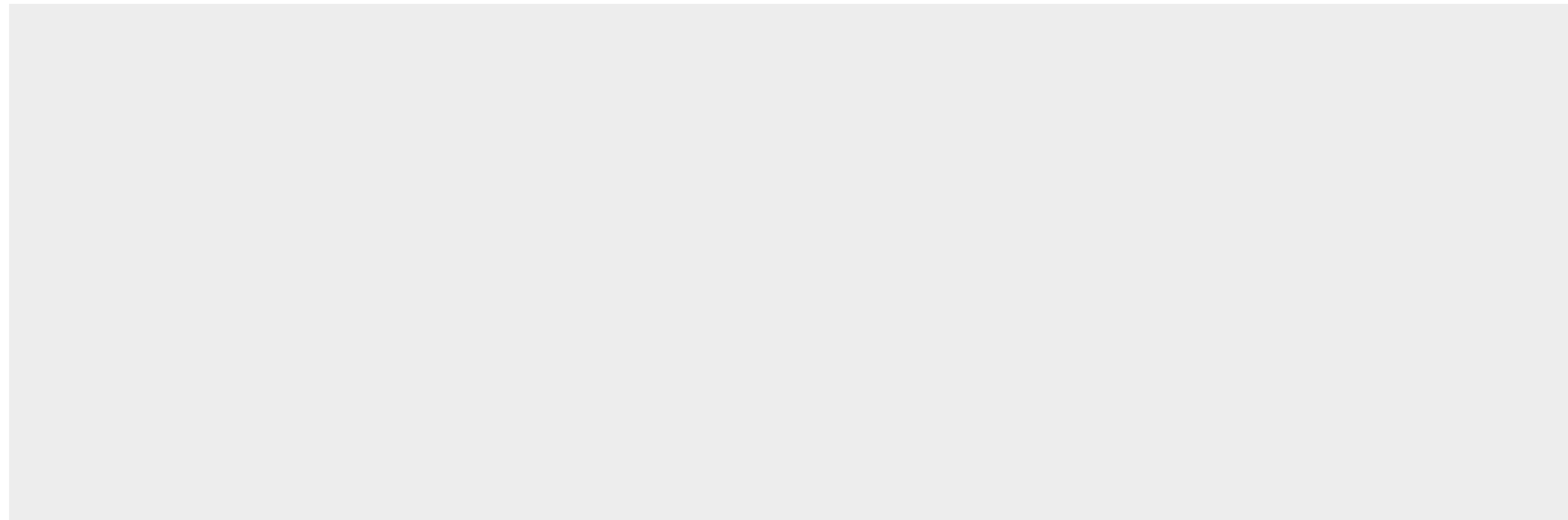
### Youth Activity

Proposals are encouraged to incorporate community facility uses and programming that promote youth enrichment activities and recreation, indoor and/or outdoor.

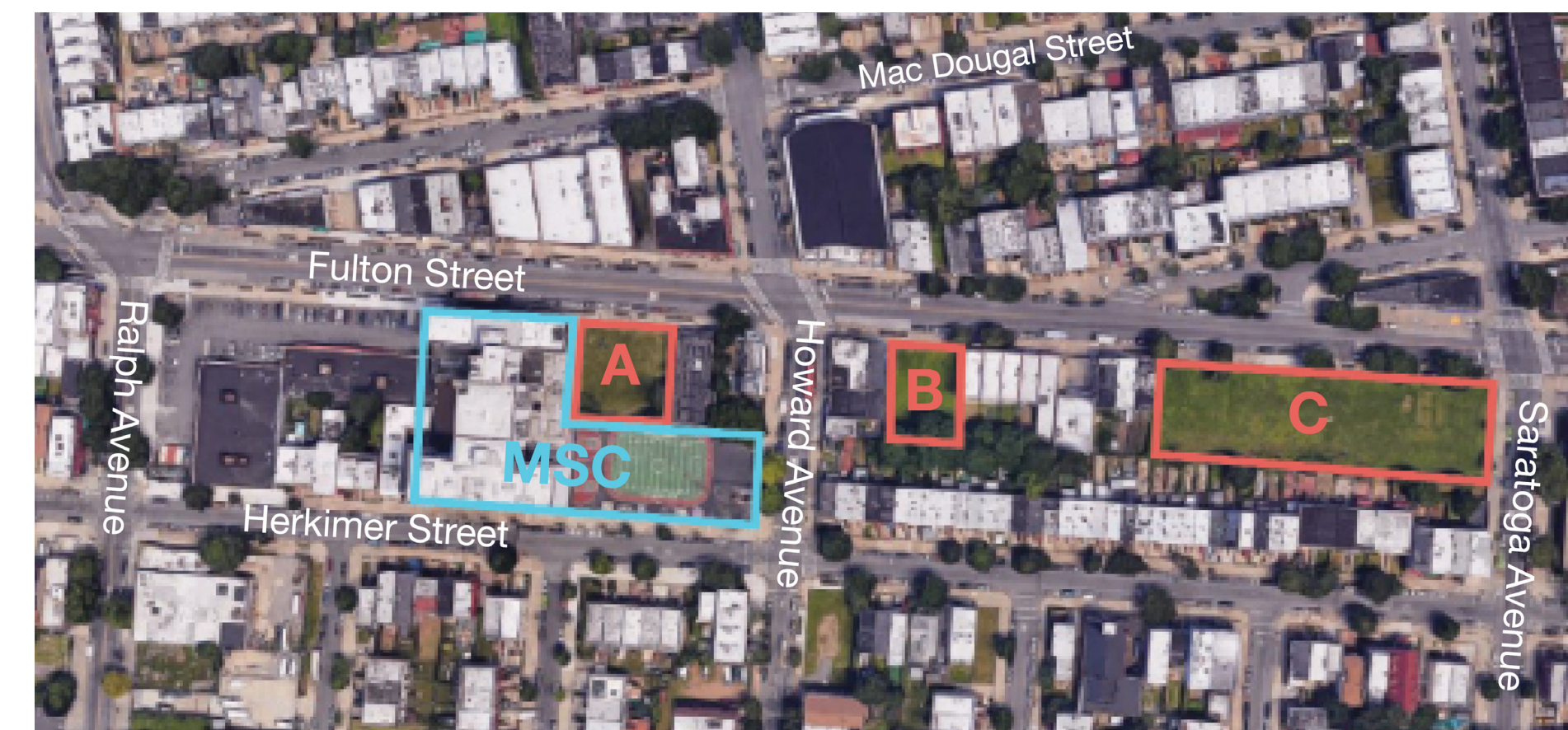
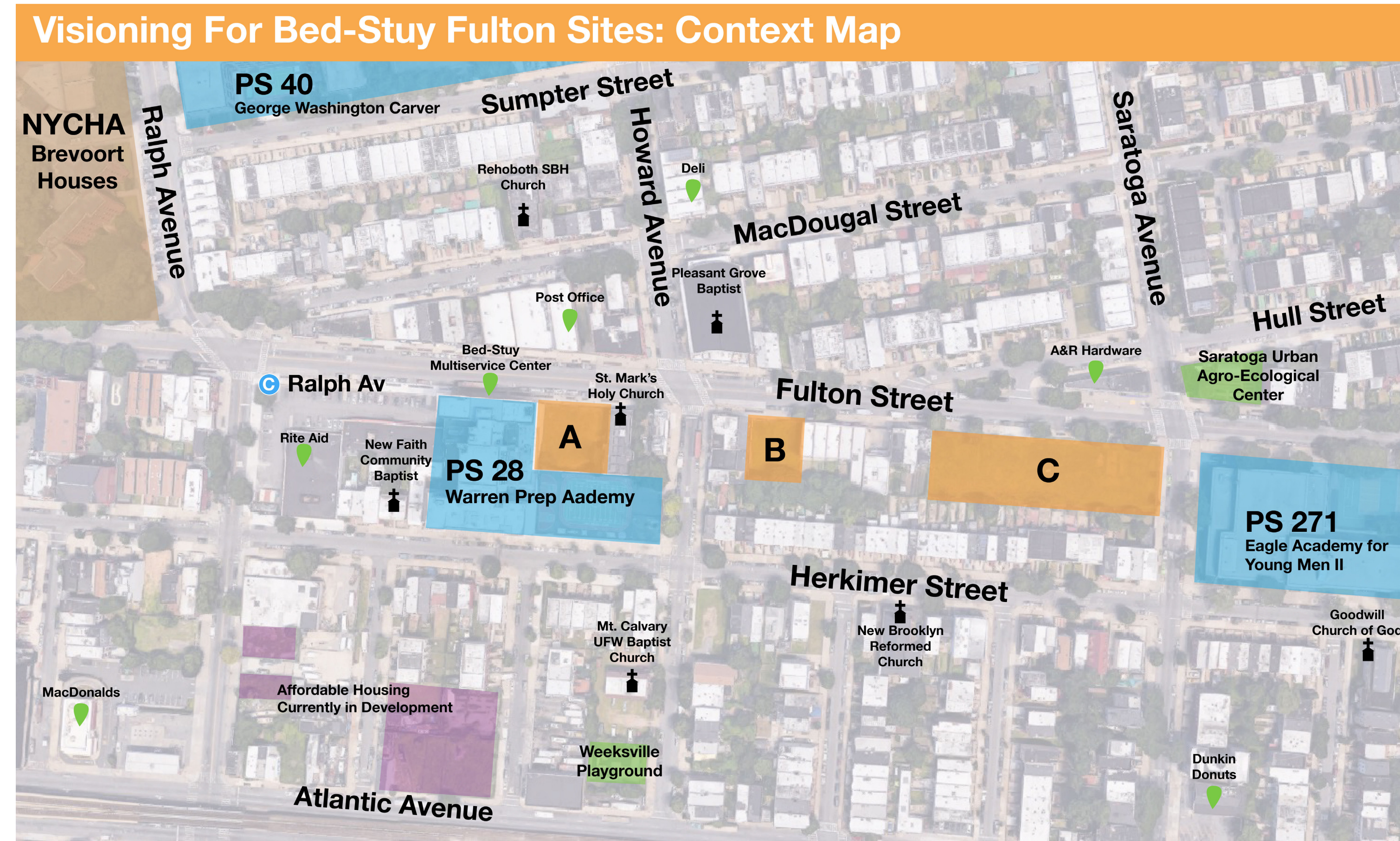
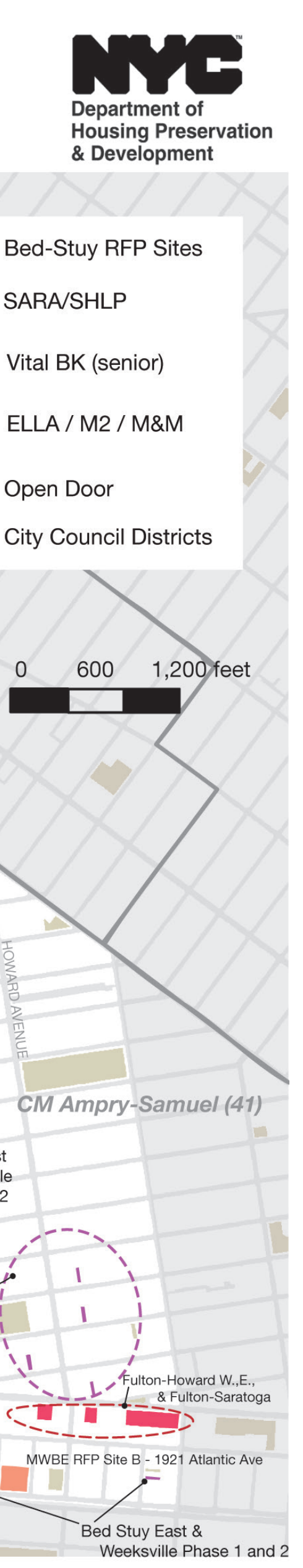


### What do you think?

Use post-its to tell us what you like and to make suggestions for changes.







# C: Fulton-Saratoga

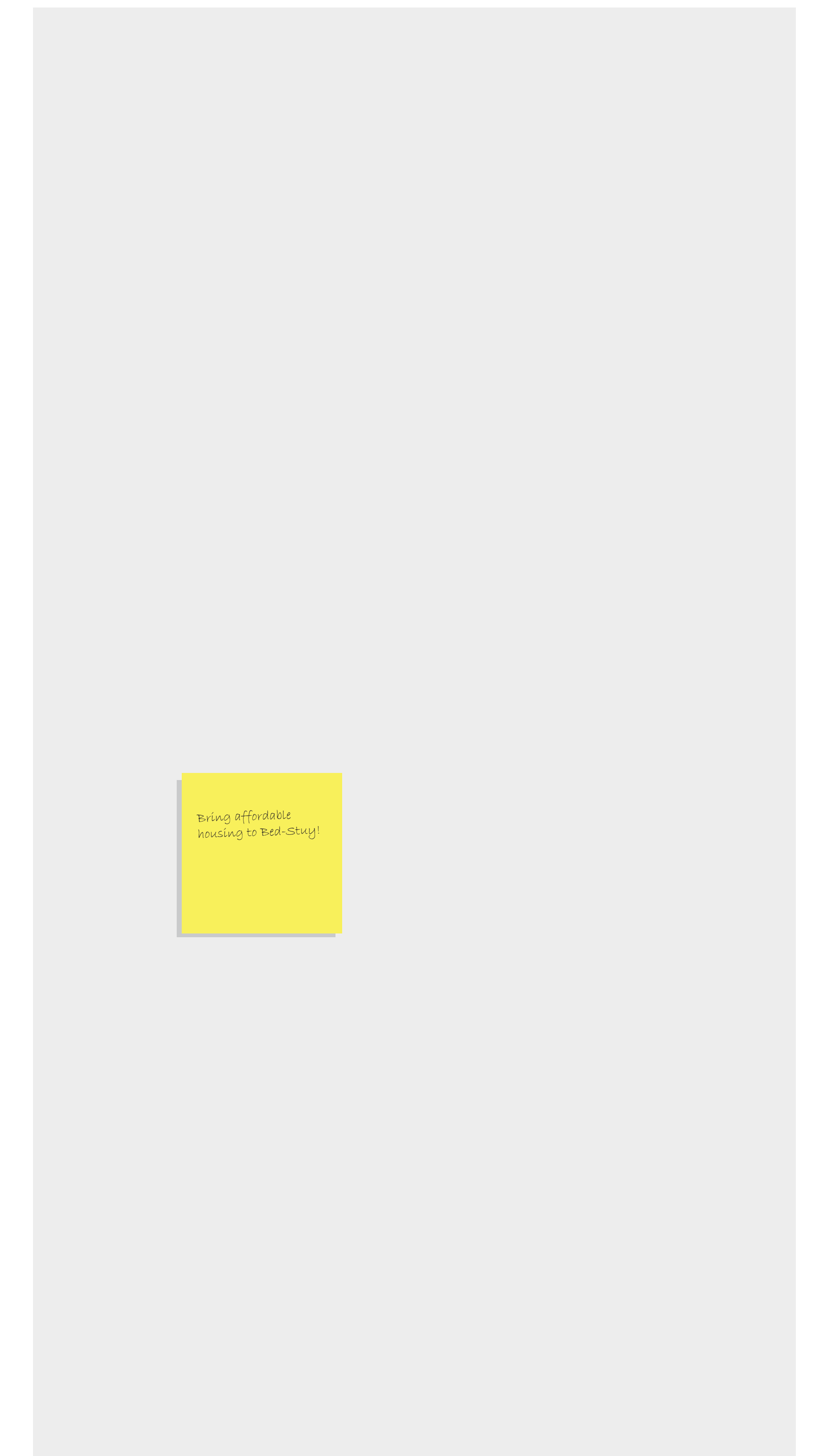
## Community Wellness and Healing

Proposals for this site should incorporate a hub of uses and programming that brings residents together around community wellness and healing.

Housing programming on this site needs to incorporate approximately 80-100 affordable apartments for seniors.

### What do you think?

Use post-its to tell us what you like and to make suggestions for changes.



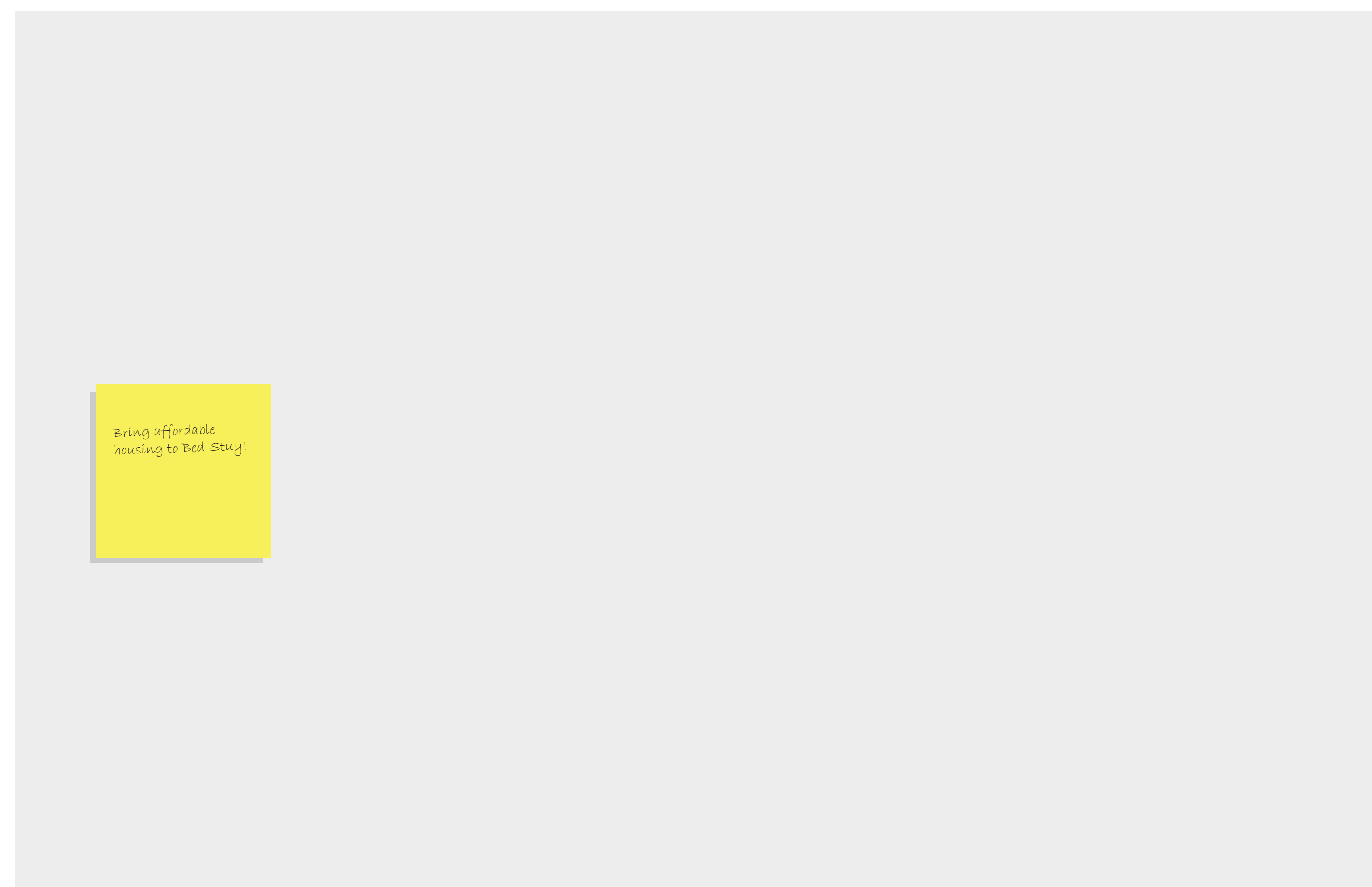
# A: Fulton-Howard West

## Neighborhood Stability and Equitable Economic Development

Proposals for this site should consider complimenting the existing services of the Bed-Stuy Multi-Service Center with additional community services that contribute to equitable economic development, particularly the capacity-building of individuals historically excluded from economies.

### What do you think?

Use post-its to tell us what you like and to make suggestions for changes.



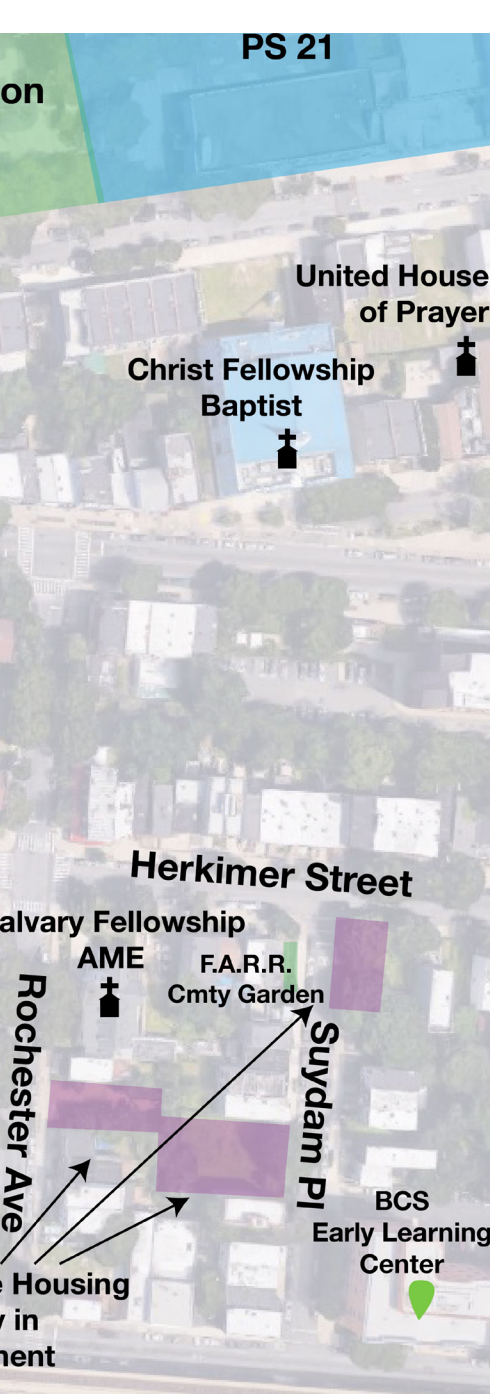
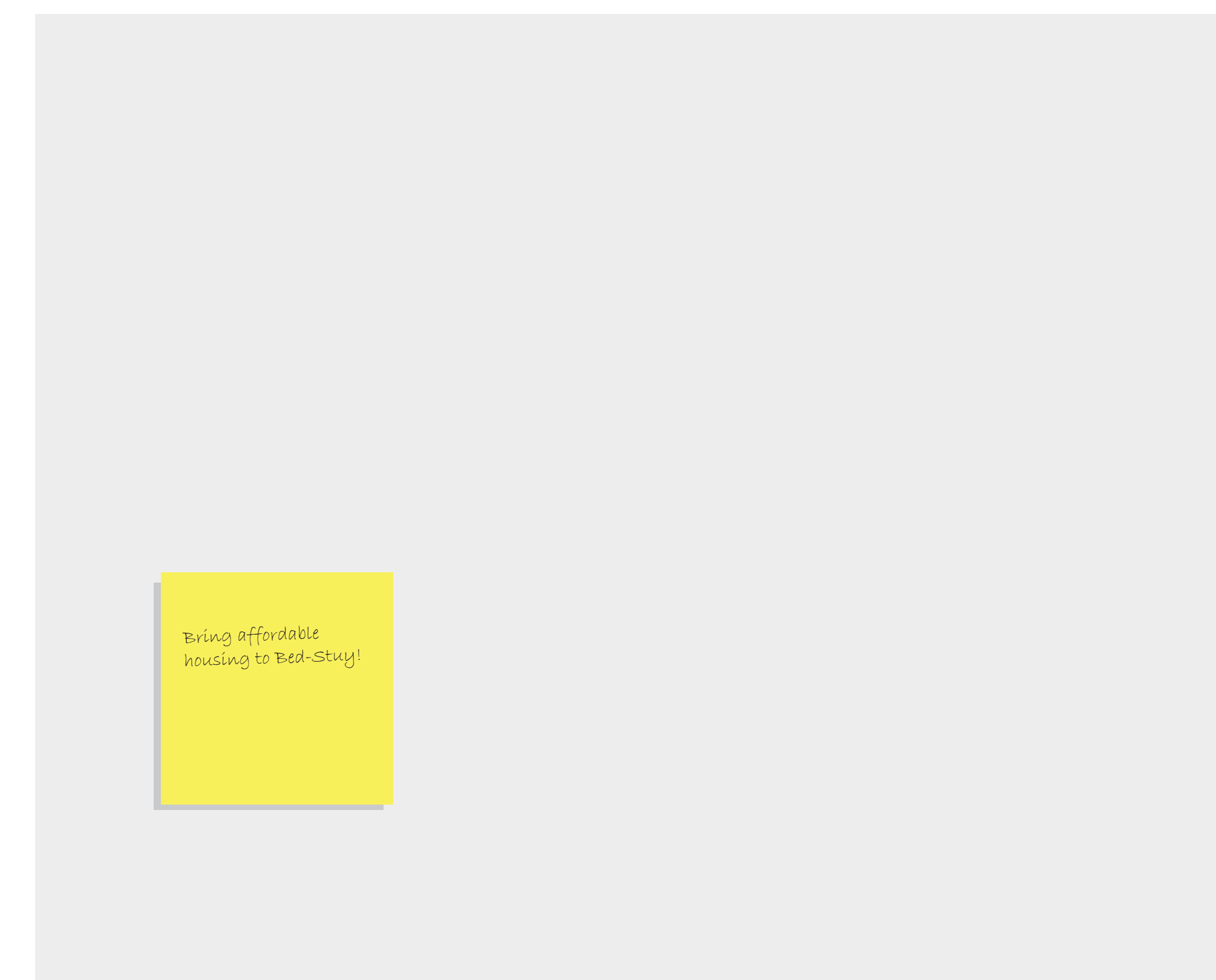
# B: Fulton-Howard East

## Homeownership

Proposals for this site should incorporate homeownership opportunities for moderate-income first-time homebuyers, and consider ground-floor programming that is complimentary and compatible with ownership units above, while still providing needed amenities in the neighborhood.

### What do you think?

Use post-its to tell us what you like and to make suggestions for changes.





# Redeveloping vacant City-owned land

A major component of HPD’s investment in the neighborhood will be new affordable housing, integrated with neighborhood amenities, to be developed on vacant City-owned land. Redevelopment of this land has the potential to improve safety, contribute to community economic development, strengthen local arts and culture, and achieve more equitable health outcomes.

Development on City-owned land is conducted through a competitive review process called a **Request for Proposals (RFP)**, in which HPD calls for developers to submit project proposals that respond to a set of defined goals and guidelines, informed by the community. Non-profit and for-profit teams are eligible to apply and seek City financing for their proposals. HPD works together with development teams to ensure that projects are designed and built in keeping with the agency’s standards for quality construction, environmental sustainability, and cost containment.

Learn more and see examples of previous RFPs at [nyc.gov/hpd](http://nyc.gov/hpd) on the “Developer” tab.

## What does the RFP process typically look like?

