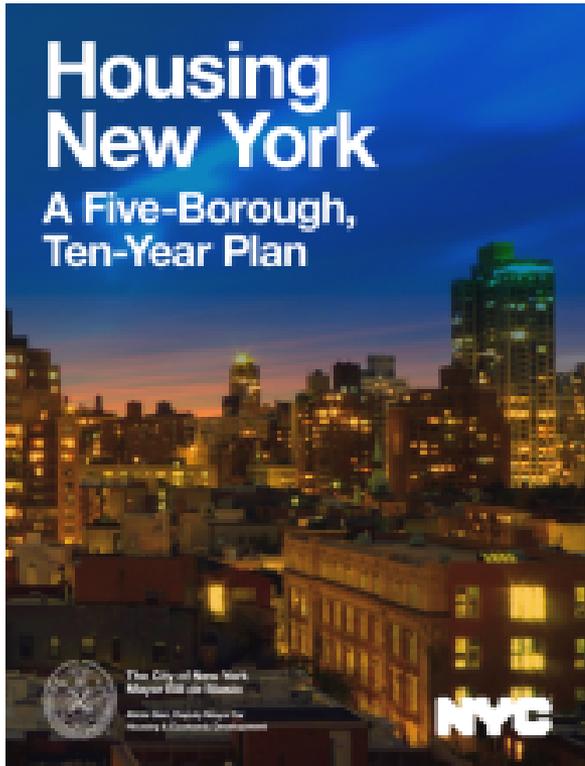


Addressing Distress in Multifamily Rental Buildings

July 2020

Housing New York



Housing New York (HNY), HNY 2.0, and Your Home NYC set forth fundamental objectives with resources to support this work:

Finance the preservation and development of 300,000 affordable housing units by 2026.

Production to date (March 2020):

- 164,204 housing units created or preserved, with 114,396 in housing units preserved
- nearly 85% of production is for extremely-, very- and low-income households

Why preservation matters

- Addresses physical and financial health of buildings while securing affordable rents for current and future tenants.
- One of the most important tools for giving New Yorkers the choice to stay in their homes.
- HPD has a range of preservation programs and tools that serve multi-family rentals and cooperatives, as well as owner-occupied 1-4 unit homes.
- Financing tools address various of needs, from very limited help with renovations or operations, to extensive interventions to stabilize ownership and conditions.
- Over time, we have developed programs to speak to a range of goals, including habitability, affordability, financial viability, energy efficiency, etc.

Preservation tools

- Enforcement programs:
 - Address housing conditions/compliance with housing maintenance code. Residents and community organizations can call in complaints/make referrals, resulting in HPD inspection.
- Tenant protection initiatives:
 - Legal representation, partners in preservation, and related initiatives
- Financing programs:
 - Preservation of rental, homeownership, and existing regulated buildings through loan programs and tax exemptions authorized by statute

HPD Financing Options

Range of programs to facilitate the physical and financial sustainability. Properties do not currently need to be regulated affordable housing to qualify for assistance.

See: <https://www1.nyc.gov/site/hpd/services-and-information/preservation.page>

- Property tax exemptions and abatements (J-51, Art XI)
- Low-interest subsidy/subordinate loans – includes options for property owners that can leverage some private debt and those that can not – for the following:
 - Rehabilitation (Housing Rehabilitation Loan Program, Participation Loan Program, HomeFix)
 - Energy efficiency and water conservation (Green Housing Preservation Program, MF Water Assistance Program, other moderate rehab programs)
 - Lead remediation (Lead Abatement and Healthy Homes, Lead Free NYC)
 - Acquisition (Participation Loan Program, Neighborhood Pillars)
- Technical assistance (Landlord Ambassador Program)

Landlord Ambassador Program

- Outreach and technical assistance program
- Purpose: Improve access to HPD financial assistance and stabilize properties. Program administered by Mutual Housing Association of New York.
- Building characteristics at enrollment: Lack of rent roll, high vacancy, no professional property management, multiple housing deficiencies/violations, municipal arrears
- Program outcomes thus far:
 - Stabilization can take time
 - Significant improvement in operations
 - Property Management
 - Application for financing

COVID-19 and Citywide Resources

- <https://www1.nyc.gov/site/hpd/services-and-information/covid-19-updates.page>

COVID-19 Citywide Resources & HPD Service Updates



We want to work with you!

Help us to provide assistance to struggling owners in your loan portfolio

- Host an Owner's workshop
- Collaborate with us on an outreach project to urge owners to make repairs and pay liens
- Send bank inspectors to properties
- Connect owners to our Neighborhood Preservation offices
- Encourage owners to take advantage of financial assistance or make a referral to the Landlord Ambassador Program
- Other creative ways for us to collaborate?

By working together, we can strengthen your assets and increase quality affordable housing in New York City.