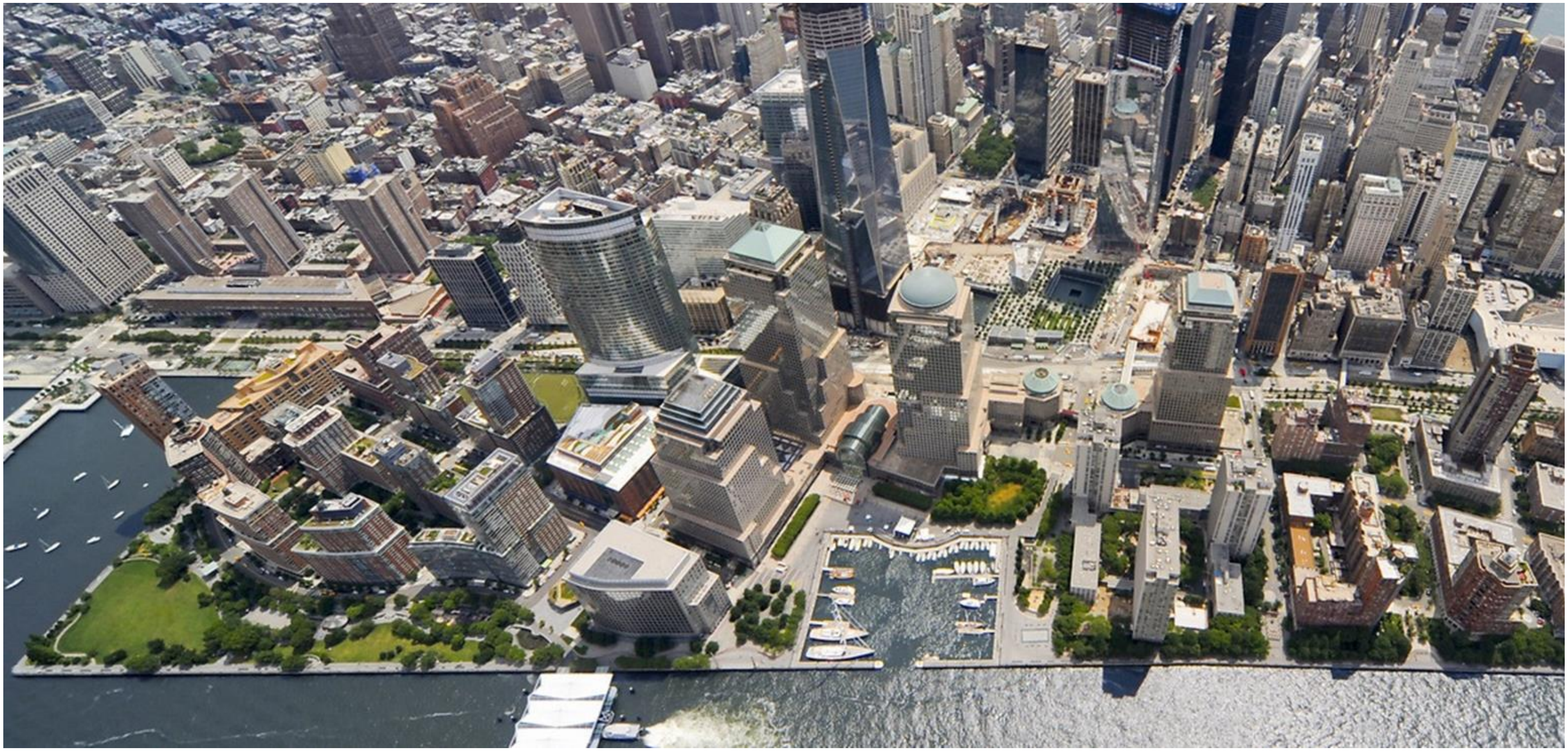


AFFORDABLE HOUSING TOOLKIT

BATTERY PARK CITY AUTHORITY

FEBRUARY 2022

About Battery Park City & the Battery Park City Authority

In 1968, Governor Rockefeller signed the Battery Park City Authority Act, which authorized the creation of a "coordinated community" on Manhattan's Lower West Side by a new public benefit corporation, the Hugh L. Carey Battery Park City Authority (BPCA or the Authority), which would build and manage it. After extensive public input and negotiations between State and City government entities, the Authority began construction on the 92-acre neighborhood, largely with the landfill excavated in the creation of the original World Trade Center site.

Construction of the neighborhood and real estate development was complete by 2011. At this time, Battery Park City reflected the environment surrounding the neighborhood – one that had withstood the shocks and stresses brought on by September 11, 2001 attacks on the World Trade Center and emerged as a well-maintained, welcoming environment for residents, workers, and visitors. Development that took place between the Authority's creation and 2011 followed the suit of the market and public policy, concentrating on delivering high-end apartments, condominiums, and office spaces and incorporating affordable housing, targeted to low to moderate income households within most, but not all, rental buildings.

By 2018, Battery Park City was home to approximately 7.2 million square feet of residential property, over 10 million square feet of commercial property, and 36 acres of open space. The Authority had also transitioned to focus on management and maintenance of its existing infrastructure, upkeep and programming within its high-quality public spaces, and investment in and delivery of a major resiliency program that will provide flood protection for the neighborhood and a significant area of Lower Manhattan. Battery Park City's development and ongoing operations have, in many ways, been a success, as demonstrated by the high quality of life experienced in the neighborhood, the vibrant programming that takes place throughout BPC, and the value of residential units here.

However, the Authority and local stakeholders recognize that housing affordability is a significant concern for many stakeholders, as it is throughout the city and in many parts of the country. In response, the Authority's first strategic plan, developed in partnership with 100 Resilient Cities and known as the Resilience Action Plan, prioritized the Authority's commitment to ensuring that Battery Park City is "an inclusive community, one which supports housing affordability as part of a diverse and livable community…" amongst other goals. This affordable housing toolkit is the first publication following on that goal.

About Battery Park City & the Battery Park City Authority

As described in the Resilience Action Plan, BPCA, as a New York State public benefit corporation, has unique relationships with both New York State and New York City governments, designed to help further its mission to plan, create, coordinate, and sustain a balanced community of commercial, residential, retail, and park space in Battery Park City. These relationships also affect the Authority's use of revenues collected by the Authority and are relevant to its ability to implement and effect affordable housing strategies in BPC and across the city.

BPCA owns the 92 acres that comprise the neighborhood and all third-party owned buildings within Battery Park City are on ground sub-leases to the Authority. The BPCA financing structure has, since its inception, supported both the BPC neighborhood – funding maintenance of open spaces, neighborhood cleaning and programming, and supporting debt service used to fund portions of BPCA's capital projects – and the city – contributing to both the General Fund and affordable housing initiatives citywide. Revenues flow to and through BPCA as follows:

1. Revenue is collected by BPCA, including Payments in Lieu of Taxes (or PILOT), which make up the majority of revenues (82% in FY 2021), ground rent (which made up 15% of revenues in FY 2021), and other fees (the remaining 3% in FY 2021).
2. Revenues are used to pay BPCA expenses and debt service (a total of $119M in FY 2021).
3. The majority of remaining funds, known as "excess revenues" are distributed to the City as they came to the Authority, with the share associated with PILOT flowing to the General Fund, and the share associated with ground rent flowing into a Joint Purpose Fund that has been specifically designated for affordable housing initiatives across the city. The Authority has played a direct role in promoting the construction of affordable housing in BPC, as well as contributed money to the City of New York's affordable housing programs, for decades – including more than $400 million since 2010.

Given the BPCA's commitments to the City and State, contractual relationship with ground lease tenants, and structure (the Authority does not have dedicated capacity as an affordable housing implementation or enforcement agency), opportunities to create or preserve affordable housing in Battery Park City are limited. However, this toolkit examines the full range of tools that may be available to the Authority and ground lease tenants, and describes potential strategies the Authority could pursue to respond to local concerns around affordability.

Introduction

This affordable housing toolkit provides a framework to understand and evaluate the applicability of affordable housing tools in Battery Park City. The following pages describe and evaluate tools used in New York City, programs used throughout New York State, and strategies from around the country.

The first goal of the Battery Park City Authority's **Resilience Action Plan** (Goal 1.1) is to expand housing affordability and certainty. To move toward achieving this goal, the Authority committed to:

- Creating a forward-looking agenda for a more balanced residential community (Goal 1.1.1).
- **Expand The Authority's toolkit of affordable housing and rent stabilization mechanisms (Goal 1.1.2).**
- Preserve and expand affordability and increase certainty in existing residential buildings through ground lease negotiations (Goal 1.1.3).

This document summarizes the Authority's work to date toward Goal 1.1.2, and includes:

- A summary of the three types of strategies typically used to preserve or generate affordable housing (see p. 2).
- An overview of the local, state, and national programs and policies available to preserve or generate affordable housing (see pgs. 6-17).
- An evaluation of the applicability of these programs to Battery Park City, based on the existing housing stock, the Authority's role in making and enforcing policy for the neighborhood, and the potential for partnerships with the City, State, and other affordable housing providers (also on pgs. 6-17).

Affordability in Battery Park City

Housing affordability is a national, statewide, and citywide crisis that requires the coordination of all levels of government to address.

In New York City:

In New York City, **approximately 48% of all renters are housing cost-burdened -** paying more than 30% of their gross income on rent. Only 45% of the city's rental stock is accessible to renters earning up to 80% of the city's median income, putting further pressure on the market.

New York State has made housing a top priority dedicating unprecedented funding for new construction and development of housing. Meanwhile, the City of New York has built or preserved 200,000 affordable apartments over the past decade.

Nevertheless, housing affordability remains a critical issue for households across the city and country. For many, housing challenges have been further exacerbated by the economic fallout from the pandemic. These challenges have drawn a federal response—with the Administration pledging $150B dedicated to housing as part of the infrastructure and 2021 reconciliation bills.

New Yorkers need investment and coordination at all levels of government to make housing more affordable across the city.

In Battery Park City:

- Battery Park City is home to about 16,000 residents in 12 rental buildings and 18 condominium buildings, containing a total of 8,300 housing units.

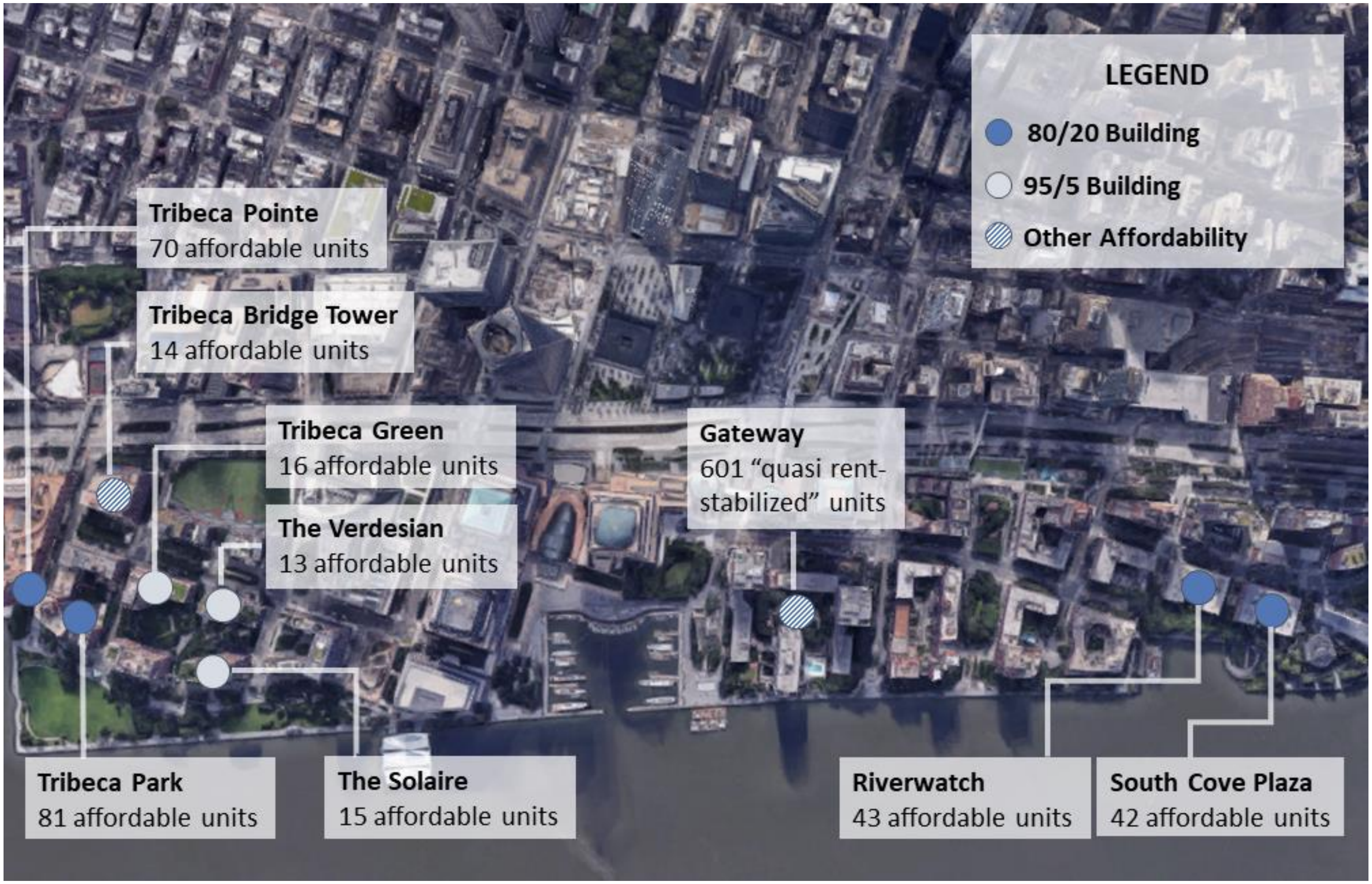
- Approximately 900 of 4,050 rental units in BPCA are affordable or quasi-rent stabilized—or about 20% of all rental units. Terms for quasi-rent stabilized units are negotiated between building owners and BPCA.

- The Authority is working to preserve, and where possible expand the existing inventory of below-market rental units in Battery Park City through studying the tools evaluated in this toolkit and through its ongoing ground lease negotiations.

- Additionally, the Authority seeks to sustain a stable residential owner-occupied population, where families are able to remain in their homes. In addition to its work to preserve affordable rental units, the Authority is developing a strategy to address near-term and future ground rents for condominium buildings, designed to provide certainty and long-term economic stability for condominium owners.

Affordability in Battery Park City

There are nearly 900 affordable or quasi-rent stabilized rental units in Battery Park City. This represents about 20% of the total rental unit supply within the neighborhood. The buildings that have affordable units incorporate affordability through several local programs as shown in the map below.



Housing Tools

There is a broad ecosystem of housing affordability tools—broadly organized into three categories: land use regulations, tenant/owner support, project-based subsidy.

LAND USE REGULATIONS

Land use policy reforms can increase the market's ability to meet demand by reducing barriers to new development, increased density, and other regulations. This can in turn increase supply, decrease the price of new rental housing, and slows the loss of existing affordable housing.

Reform of the regulations that govern construction standards can allow for the adoption of innovative new building technologies that lower the construction cost and sale price of housing.

Given BPC's existing density and the Authority's lack of immediate land use controls, this category of tools are the least relevant to The Authority.

BPCA Relevance: ●○○

TENANT/OWNER SUPPORT

Tenant and owner support programs can preserve or expand affordability by providing support, typically financial subsidies, directly to households.

Examples of these tools include rent stabilization, legal aid, ground rent adjustments with affordability requirements, anti-eviction measures, down payment assistance, and foreclosure prevention counselling.

While these tools can help households stay in their homes, especially in times of acute crises, most do not expand the supply of affordable housing.

In some limited cases, The Authority may have an opportunity to act as a resource for residents or potential residents to connect them with the resources that might allow them to retain ownership or occupancy of their homes. For instance, The Authority may be able to link existing residents with City and State programs for tenant support, reinforce City and State requirements for accurate reporting around affordability and tenant protections, and dialogue with City and State partners about ensuring that BPC residents have access to the same programs offered citywide and statewide.

BPCA Relevance: ●●○

PROJECT SUBSIDY

Subsidy tools fill the gap between what households can afford to pay and the cost to develop and operate housing, allowing building owners to preserve, or developers to build new, affordable housing.

The federal government traditionally has operated the largest project-based subsidy tool in the form of Low Income Housing Tax Credits (LIHTC), which are dispersed on a project-specific level through a competitive process operated by the City's Departments of Housing Preservation and Development (HPD) and the Housing Development Corporation (HDC). Despite this large source of subsidy, projects often still find a gap between the cost to develop and operate housing and the rents households can afford. This gap is often filled with local sources and philanthropic sources, like housing trusts, preservation funds, or tax abatements. This combination of resources are responsible for many of the 895 regulated affordable housing units in Battery Park City today.

Additionally, a portion of The Authority's excess revenues are dedicated to supporting the creation and preservation of affordable housing throughout New York City through contributions to a Joint Purpose Fund.

BPCA Relevance: ●◖○

Housing Tools

The ranking system below illustrates The Authority's potential role in facilitating affordable housing programs within BPC.

In most cases, the Authority has a limited role in deploying and enforcing affordability programs, given its structure and relationship to building owners in the neighborhood. For some programs, The Authority can engage with the City and State through key partnerships to further affordable housing goals.

BPCA Relevance	Description
●○○	Reflects a role where the Authority has little or no control or influence over a program. In addition, the program currently may have little relevance to The Authority and its partners.
●●○	Reflects a role where the Authority can contribute to the development of a program to eligible partners through sharing of information and resources. This would involve raising awareness of a program for developers, landlords or even residents to take advantage of. Alternatively, it would involve The Authority serving as a liaison and connecting BPC residents or building owners to the proper agencies, channels and/or resources.
●●●	Reflects a role where the Authority can directly contribute to or implement a program that increases overall affordability.

Housing Tools Directory

Each of the tools below are described and evaluated in the following section.

Housing Tools Directory *cont.*

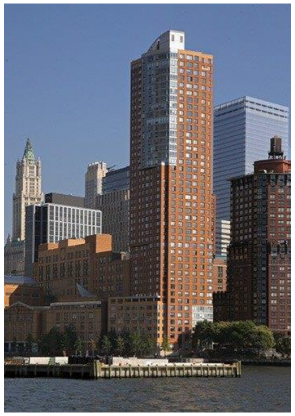
Each of the tools below are described and evaluated in the following section.

Affordability Restrictions on New Development

Description	Affordability restrictions require that developers meet affordability requirements by providing a percentage of the units as below market rate, at a price that is affordable to low or middle-income households. In New York City, the most common type of restriction is an inclusionary zoning regulation, which can either require or incentivize developers to include affordable units. To effectively increase affordability, these restriction policies must provide developers with sufficient incentives, such as density bonus or parking reduction, in exchange for their creation of affordable units. The incentives may take a variety of forms, such as allowing higher density development, reducing development costs by lowering minimum parking requirements or streamlining the development process.
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD), NYC Department of City Planning (NYC DCP)
Partner(s)	Local Housing Developers, NYC Department of City Planning
Evaluation ●○○	Because it owns land within BPC, the Authority could set affordability restrictions on new development in the area. However, the current opportunities for use of these restrictions is limited, given that BPC is largely built out.
Existing Precedent	Currently under construction, the Sendero Verde project is transforming a city-owned lot in East Harlem into three mixed-use buildings centered around a publicly accessible courtyard. Of the development's over 700 units, 163 will be permanently offered at below-market rates under the city's Mandatory Inclusionary Housing law. In addition to units of affordable housing, the property will include public gardens and recreational space, a mix of community facilities and social services, a new school, and approximately 30,000 square feet of retail. Shown below is Sendero Verde's publicly accessible courtyard, which is sheltered between the three buildings and raised one level above the street. It is designed to include large open space for community social events.  [Link for additional information]().

TENANT / OWNER SUPPORT

Ground Rent Adjustments with Affordability Requirements

Description	Because the Authority owns the land underlying multifamily, condominium, and commercial properties in BPC, it has some opportunities to enact specific requirements through the ground lease. Since all ground leases are already in place, these opportunities mainly arise through ground rent reset negotiations. Ground rent resets for multifamily buildings are approximately 15 years after their original lease date, with many occurring over the coming five to ten years. At the point of these ground rent resets, the Authority may have an opportunity to directly negotiate the continuation of affordability commitments, or expand these where possible, likely in exchange for a reduction in ground rent, reflecting the lost potential revenue associated with reduced rents.
Admin Agency	BPCA
Partner(s)	BPC multifamily building owners
Evaluation ●●●	During upcoming ground rent reset negotiations, the Authority can prioritize extending affordability commitments (or expanding affordability) through the ground leases. Ground lease amendments that comply with this goal may reflect a reduced ground rent (from what would otherwise be charged). This is relevant for multifamily (rental) buildings within the neighborhood.
Existing Precedent	The Authority recently completed a ground rent reset and ground lease amendment for Tribeca Pointe, a 340-unit multifamily building in Battery Park City. This agreement requires the building owner to maintain the building's existing level of affordability (70 units affordable to households making 40% and 50% of area median income) through 2069 and places an embargo on conversion of rental buildings to condominiums (along with accomplishing other BPCA goals). Shown below is the 42-story Tribeca Pointe building, which is located along the Hudson waterfront at the northern end of BPC. 

Naturally Occurring Retirement Community

Description	A Naturally Occurring Retirement Community (NORC) is a building with a sizeable senior community that was not purpose-built as a senior community. NORC programs operate through multi-disciplinary partnerships representing a mix of public and private entities, and provide on-site services and activities. The intent of the NORC program is to facilitate and integrate the health and social services already available in the community, as well as organize those necessary to help meet the goal of enabling older adults to remain at home. Once a community meets the respective criteria, it becomes eligible for local, state, and federal funds retroactively to provide that community with the support services elderly populations typically need.
Admin Agency	NYS Homes and Community Renewal (NYS HCR)
Partner(s)	Residents and Building Owners
Evaluation ●●○	Building owners can play a role by formally establishing NORCs within properties that have a sizable senior population, thereby increasing the quality of life for residents. The Authority can also play a supportive role by integrating its operational services with NORC programmatic services. For example, the Authority could coordinate with a local NORC to rent park space for social programs or services. As per New York State criteria, a majority of older adults to be served must be low or moderate-income, as defined by US Department of Housing and Urban development. As BPCA owners transition into retirement and fixed incomes, their incomes may qualify for this program, despite being in households that were previously designated as higher-income.
Typical Budget	Local NORC budgets range between $130,000 and over $1 million. Generally, most NORCs cost less than $1 million to operate.
Existing Precedent	Penn South is a co-op development that encompasses nearly 3,000 apartments in 10 high rises. In 1986, Penn South created the Penn South Program for Seniors, the first NORC program in the country. This program offers dedicated community rooms for the elderly; opportunities for medical care, home visits, and food delivery; and classes in different social activities. Currently, a combination of municipal and state agencies as well as nonprofit and private entities supports the senior population at Penn South. Shown below are members of Penn South's senior fitness program, which is held twice a week to improve participant strength. balance.

Link for additional info.

Senior Citizen Rent Increase Exemption

Description	The Senior Citizen Rent Increase Exemption (SCRIE) Program exempts low-income renters who are 62 or older eligible from some or all rent increases, and exempts low-income senior owners eligible from their cooperative's carrying charges, capital assessments, or voluntary capital contributions, as long as the residents are paying at least one-third of their disposable income on rent. Tenants directly apply for the benefit, which is administered as a real estate tax credit to landlords who would otherwise receive the increased rent. Tenants are eligible if they live in Mitchell-Lama housing, Article XI cooperatives, federally-assisted cooperatives, or rent regulated apartments.
Admin Agency	NYS Homes and Community Renewal (NYS HCR)
Partner(s)	Residents and Building Owners
Evaluation ●●○	This program has potential to increase affordability for rent-burdened seniors within BPC, but its building eligibility requirements means that its benefits extend to only rent regulated apartments. The Authority has no power to incentivize or implement any aspect of this program but can provide information to tenants as part of outreach around tools for preserving affordability.

Disability Rent Increase Exemption

Description	The Disability Rent Increase Exemption Program (DRIE) exempts disabled renters from some or all rent increases, and exempts disabled limited-equity owners from their cooperatives carrying charges, capital assessments, or voluntary capital contributions, as long as the residents are paying at least one-third of their disposable income on rent. Tenants must receive eligible state or federal disability-related financial assistance to be eligible for the program and must apply for the program. Tenants directly apply for the benefit, which is administered as a real estate tax credit to landlords who would otherwise receive the increased rent. Tenants are eligible if they live in Mitchell-Lama housing, Article XI cooperatives, federally-assisted cooperatives, or rent regulated apartments.
Admin Agency	NYS Homes and Community Renewal (NYS HCR)
Partner(s)	Residents and Building Owners
Evaluation ●●○	This program has potential to increase affordability for rent-burdened residents within BPC. Provided that tenants/owners are eligible, they can participate in this program to help mitigate rent or tax increases. residents. The Authority has no role in administering this program as it would be between the State, the building owners, and tenants—but can play an outreach role to ensure that tenants know about the program.

Senior Citizen Homeowners' Exemption

Description	The Senior Citizen Homeowners' Exemption (SCHE) program allows seniors with an annual income of $58,399 or less to reduce the property tax bill on their primary residence. This is accomplished by reducing the taxable assessed value of a qualifying senior's home by up to 50%, but the exemption varies based on income. The property tax break applies to seniors who own one-, two- or three-family homes, co-ops and condo apartments.
Admin Agency	NYC Department of Finance
Partner(s)	Residents and Building Owners
Evaluation ●●○	Rising property taxes can place significant financial pressure on long-time homeowners and contribute to their displacement. This program provides tax relief for seniors who earn up to 70% of the Area Median Income, supporting the means for them to remain in their homes. While a useful affordability tool, the Authority has no power to incentivize or implement any aspect of this program. However, it can provide information to tenants as part of outreach around tools for preserving affordability.

Neighborhood Opportunities Program (Rhode Island)

Description	The program provides funds to cover the difference between the rental cost affordable to very low-wage Rhode Islanders and the cost to owners of operating the rental units. Essentially, funding allows rents to be set at a level that is both affordable for renters and sustainable for owners. Developments must benefit very low-income individuals and families with gross annual incomes at or below 40% of the Area Median Income. The program is funded through Rhode Island Housing's annual budget allocation process. Since its inception, the Neighborhood Opportunities Program has contributed $44 million in gap funding for the development and operation of 1,188 units in 173 developments throughout 28 communities in Rhode Island.
Admin Agency	Rhode Island Housing (private lender)
Partner(s)	Building Owners
Evaluation ●○○	In contrast to New York's SCRIE and DRIE, this program provides direct gap funding as opposed to tax credits for building owners. If this program were implemented in New York City, its eligibility would only be income restricted not just to target populations with special needs. However, this program is funded directly by a private lender, and thus would have limited reach for current residents. If the program were implemented in BPC, the Authority could not extend gap financing for these purposes. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely. Furthermore, it is not within the Authority's purview to make the necessary policy changes to make a local analogue to this program. Adoption and implementation of this policy would require broader action from City and State leadership.

Weatherization Assistance Program

Description	This program assists households with incomes at or below 60 percent of the state median income by reducing their heating and cooling costs through a variety of energy efficiency measures. Under the program, several energy efficiency measures are performed, including: weather-stripping; caulking; wall and ceiling insulation; heating system improvements or replacement; efficiency improvements in lighting; hot water tank and pipe insulation; and refrigerator replacements with Energy Star-rated units. For multi-family eligible housing, assistance is provided only to buildings where more than two-thirds of the tenants whose incomes are at or below 200% of the federal poverty level.
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD)
Partner(s)	Building Owners
Evaluation ●●●	This program would benefit multi-family building owners within BPC—provided that residents meet the program's income requirements. To participate, buildings owners must contribute up 25 to 35 percent of the cost of rehabilitation. The program has potential to assist in financing efficiency measures, though the minimum owner contribution may be cost prohibitive requirement without additional subsidy. The Authority itself can also play a supporting role for building owners with this program by providing technical guidance to owners—including for building envelope improvements and HVAC systems upgrades, as referenced in the Authority's current ten-year Sustainability Plan's interventions.
Existing Precedent	Between 2010 and 2012, LISC and Enterprise Community Partners oversaw an ambitious and successful program that weatherized 2,226 apartments in 96 multi-family affordable housing buildings in New York City. Using funding from WAP and other sources, both organizations initiated repairs that include heating system replacement, heating system controls, lighting, roof insulation, window replacement, and ventilation. The program achieved an overall energy usage and cost savings of 15%. Savings varied by use, with the greatest energy reduction in heating energy use.  Link for additional information.

Green Housing Preservation Program

Description

This program provides low- or no-interest loans to finance energy efficiency and water conservation improvements, lead remediation, and moderate rehabilitation work. The program is designed to assist small- and mid-size building owners improve building conditions and lower operating expenses to ensure the long-term physical and financial health of their buildings and to preserve safe, affordable housing. Current and future vacant apartments must be rented to households whose incomes do not exceed 120% of Area Median Income. Eligible buildings must have at least 5 units and be less than 50,000 square feet.

Admin Agency

NYC Department of Housing Preservation and Development (NYC HPD)

Partner(s)

Building Owners

Evaluation

There are very few small-size buildings within BPC, so this program would only benefit mid-size building owners seeking improvements. The Authority has a very limited role as it cannot force building owners to use any sort of financing tool. However, it could provide information about it as part of campaign around tools for preserving affordability and sustainability.

Existing Precedent

In 2016, the organization known as Asian Americans for Equality participated in the program to preserve affordable housing and reduce energy costs in its Chinatown-owned building. The rehabilitation of 81 Madison St., a tenement in Chinatown, secured 20 apartments for low-income families in a rapidly changing neighborhood. The over $2 million project included energy-efficient upgrades funded in part by the city's program. The renovations conducted for the building include heating, electric, and plumbing systems, lead and asbestos abatement, interior wall replacement and new tiling for kitchens and bathrooms. Shown below is the façade of the building, which is one of the first recipients of the program's loans. The building will remain income-restricted for 40 years, preserving affordability in an area that is gearing up for an influx of change.

[Link for additional information.]

Sustainable Neighborhood Bonds

Description	Initially authorized by the NYC Housing Development Corporation in 2015, Sustainable Neighborhood Bonds allow investors to invest directly in bonds that finance the new construction and preservation of affordable housing projects that stimulate economic growth and revitalize neighborhoods. In addition to the affordability and holistic community development components, Sustainable Neighborhood Bonds also address environmental benefits, building on the work HDC does through the Enterprise Green Communities Criteria, the only comprehensive green building framework designed for affordable housing. Sustainable Neighborhood Bonds can be used by developers to preserve the quality and supply of affordable housing in Battery Park City.
Admin Agency	Private Institutions
Partner(s)	Local Affordable Housing Developers
Evaluation ●●○	These bonds could be used by willing developers and building owners to preserve existing affordable housing and help reach sustainability goals targeted by the Authority by addressing environmental upgrades. The Authority itself cannot finance projects through Sustainable Bonds nor can it incentivize developers to use these tools. However, it could provide information about it as part of campaign around tools for preserving affordability to building owners.
Existing Precedent	90 Sands is a previously residential hotel that has been renovated and repositioned as supportive and affordable housing. Of the 491 apartments in the building, 185 will be affordable to a wide range of residents, from extremely low-income to moderate-income households. 305 units will be home to formerly homeless individuals. The project was financed by taxable bonds totaling more than $70 million issued by the New York City Housing Development Corporation. Shown below is 90 Sands, which was repositioned from a hotel of into 491 units of affordable and supportive housing.

[Link for additional information.]

Supportive Housing Loan Program

Description	The Supportive Housing Loan Program (SHLP) makes loans to non-profit and for-profit developers of permanent supportive housing with on-site social services. Projects developed with SHLP funding must provide 60% of units for homeless, disabled individuals or homeless families with a disabled head-of-household. The remaining 40% can be rented to households from the community earning up to 60% of the Area Median Income. Projects may be new construction or rehabilitation, and on city-owned or privately-owned land.
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	Given current BPC building income mixes, SLHP programs are unlikely to be implemented by building owners, especially as the program does not allow for any market-rate units. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.

Multi-Family Supportive Housing (New Hampshire)

Description	The Multi-Family Supportive Housing Financing Program provides financial assistance to owners/sponsors of housing where the housing is provided in tandem with social service programs related to the needs of the residents. Projects consisting of new construction, acquisition and/or rehabilitation, reconstruction or conversion are eligible. Projects eligible for financing include permanent rental housing, single room occupancy (SRO), transitional housing, and group homes/shelters with ongoing social services designed for and directly related to the needs of the residents, as well as emergency crisis housing, housing for homeless families, drug/alcohol rehabilitation and recovery housing, housing for persons with a disability, and housing for persons diagnosed with severe mental illness.
Admin Agency	New Hampshire Housing Finance Authority
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	This program serves as an analogue to New York City's Supportive Loan Housing program, but includes additional financing for single room occupancy (SRO) and other supportive housing typologies. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely. As illustrated with other non-local examples, it is not within the Authority's purview to make the necessary policy changes to make a local analogue to this program. Adoption and implementation of this policy would require broader action from City and State leadership.

Senior Affordable Rental Apartments

Description	Senior Affordable Rental Apartments program (SARA) provides gap financing in the form of low interest loans to support the construction and renovation of affordable housing for seniors, 62 years in age and older, with incomes of up to 60% of the Area Median Income. Projects developed with SARA funding must also set aside 30 percent of units for homeless seniors referred by a City or State agency, typically the New York City Department of Homeless Services (DHS). SARA loans carry a minimum 30-year term and may be up to $75,000 per unit.
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	This program has strict income and supportive housing requirements for seniors and individuals experiencing homelessness. The gap financing offered would likely not be enough to justify project feasibility for many building owners, making this an unattractive option within BPC. In addition, the Authority itself cannot extend these low-interest loans to encourage this kind of development. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.

Affordable Housing Program

Description	The Affordable Housing Program finances the purchase, construction, or rehabilitation of owner-occupied housing for low- or moderate-income households (with incomes at 80 percent or less of the Area Median Income), and the purchase, construction, or rehabilitation of rental housing where at least 20 percent of the units are affordable for and occupied by very low-income households (with incomes at 50 percent or less of the Area Median Income).
Admin Agency	Federal Housing Finance Agency (FHFA)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	This program is best suited for multi-family buildings that require substantial rehabilitation. Many buildings within BPC were constructed after the 1980s, meaning that there is little need for substantial rehabilitation among most local properties. In addition, the Authority itself would not be able to extend these funds to encourage this kind of development. The Authority can monitor programs like these to see if there are future opportunities within BPC (especially as buildings age), but current implementation is unlikely.

New Housing Opportunities Program

Description	New Housing Opportunities (New HOP) provides below-market mortgages to developers for construction of moderate-income rental housing. Financing is made available through the proceeds of taxable bonds, as well as through New York City's Housing Development Corporation (HDC) corporate reserves, which are used to make second mortgages at a one percent interest rate. Though new construction, rehabilitation, or conversion is acceptable under New HOP, the development must result in at least 50 affordable units in the building.
Admin Agency	NYC Housing Development Corporation (NYC HDC)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	Since BPC is largely built out, there is little opportunity for construction and production of new units within the area. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.

Participation Loan Program

Description	The Participation Loan program provides low-interest loans and/or tax exemptions to multifamily building owners to facilitate the moderate or substantial rehabilitation and affordability of housing for low-to-moderate income households. In a PLP loan, a subsidy from the New York City Department of Housing Preservation and Development (HPD) is combined with private financing. The maximum subsidy permitted ranges from $40,000 to $90,000 per unit, depending on the other financing used and the rents charged to residents and other financing sources. The 30-year loan is provided at a below-market interest rate.
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD)
Partner(s)	Building Owners
Evaluation ●○○	This program is best suited for buildings that require substantial rehabilitation, and for owners that lack the ability to leverage private financing. Many buildings within BPC were constructed after the 1980s, meaning that there is little need for substantial rehabilitation among most local properties. Multi-family buildings within BPC require sufficient capital to own and maintain, which would by default exclude most building owners within BPC.

Multifamily Housing Rehabilitation Program

Description	The Multifamily Housing Rehabilitation Loan Program (HRP) provides rehabilitation loans to help owners undertake improvements to existing multi-family buildings. Eligible rehabilitation includes the upgrading or replacing of major building systems, including but not limited to roof replacement, building envelope work, and upgrades to the heating, electrical, and plumbing systems. The New York City Department of Housing Preservation and Development (HPD) provides 30-year, low-interest loans up to $35,000 per residential unit.
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD)
Partner(s)	Building Owners
Evaluation ●○○	This program is best suited for buildings that require substantial rehabilitation of 1 to 3 critical building systems, and for owners that lack the ability to leverage private financing. Many buildings within BPC were constructed after the 1980s, meaning that there is little need for substantial rehabilitation among most local properties. Multi-family buildings within BPC also require sufficient capital to own and maintain, which would by default exclude most building owners within BPC. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.

McKinney Act Loan Program (Washington, DC)

Description	McKinney Act Loans are short term predevelopment "bridge" loans that can be used to finance the acquisition, predevelopment, and rehabilitation costs associated with housing development, and are available to both nonprofit and for-profit developers. The funds may be used for one or the more of the following purposes: pre-development and development soft costs, acquisition, construction or rehabilitation, down payment closing cost assistance, mortgage interest rate buy down, credit enhancement or loan guarantee, ancillary or functionally related recreational, health, educational or social services facilities that are integral to housing occupied by very low-income (50% of the Area Median Income) persons and families, and equity bridge loans.
Admin Agency	DC Housing Finance Agency (DC HFA)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	The strict income restrictions limit the use of funds to only very low-income households, limiting its applicability for local developers if it were to be implemented within BPC. The lack of market-rate units within such developments likely make this program an unattractive or infeasible option. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely. As illustrated with other non-local examples, it is not within the Authority's purview to make the necessary policy changes to make a local analogue to this program. Adoption and implementation of this policy would require broader action from City and State leadership.

Seattle Operating and Maintenance Program (Seattle, WA)

Description	The Operating and Maintenance (O&M) program provides operating assistance to multifamily rental housing projects serving households whose incomes are at or below 30 percent of Area Median Income. Funds are for housing projects whose residents' incomes are so low that the projects would otherwise be unable to cover basic operating costs such as heat, light, and routine maintenance. Funds are used to fill the gap between project income and property management operating costs. The program prioritizes projects which serve homeless or special needs populations.
Admin Agency	Washington State Department of Commerce
Partner(s)	Building Owners
Evaluation ●○○	If it were implemented within New York City, this program would have little relevance or applicability to prospective projects within BPC. This program specifically funds new construction, which would not apply to BPC for the area has already been built out. The extremely-low income requirement for development would also make it a less attractive program for developers to participate in. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely. As illustrated with other non-local examples, it is not within the Authority's purview to make the necessary policy changes to make a local analogue to this program. Adoption and implementation of this policy would require broader action from City and State leadership.

Affordable Housing Renovation Program (Montreal, Qc)

Description	The Affordable Housing Renovation Program offers subsidies to owners of buildings containing six or more dwelling units to encourage them to renovate their buildings, mainly to extend the usable life of the building; improve tenant's quality of life; and encourage ecological transition. The Affordable Housing Renovation Program is intended for buildings of five stories or less with six apartment units or more. The Affordable Housing Renovation Program will cover between 30% and 40% of the invoice for recognized work. The maximum amount of the subsidy is $14,000 per dwelling and $500,000 per building.
Admin Agency	City of Montreal
Partner(s)	Building Owners
Evaluation ●○○	If this were implemented within New York City, this program would have limited applicability to properties within BPC, as the program targets a building size threshold of five stories or less. Since BPC is largely built out, there is little opportunity for construction and production of new units within the area. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely. As illustrated with other non-local examples, it is not within the Authority's purview to make the necessary policy changes to make a local analogue to this program. Adoption and implementation of this policy would require broader action from City and State leadership.

PROJECT SUBSIDY | Tax Incentives

80/20 Program

Description	The 80/20 housing program offers developers tax breaks for new developments in exchange for setting aside 20 percent of the apartments in their buildings for low- and middle-income renters. At least 20 percent of the units must be set aside for households with incomes of up to 50 percent of the local Area Median Income (AMI), adjusted for family size. Alternatively, 25 percent or more of a project's units must be affordable to households whose income is up to 60 percent of the AMI, adjusted for family size. Only the portion of a bond issuance that funds a project's affordable units is tax exempt. Thus, if a project where 20 percent of units are affordable issues $100 million in bonds, only around $20 million are tax-exempt.
Admin Agency	NYS Homes and Community Renewal (NYS HCR)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	Since BPC is largely built out, there is little opportunity for construction and production of new units within the area. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.

50/30/20 Program

Description	Similar to the 80/20 program, the 50/30/20 Mixed-Income Program combines a first mortgage with a second mortgage to finance multi-family rental housing affordable to low- and middle-income families. Eligible projects must ensure that 20 percent of the units are affordable to households earning up to 50 percent of the Area Median Income (AMI) and at least 15 percent of these units are affordable to households earning up to 40 percent of AMI.
Admin Agency	NYC Housing Development Corporation (NYC HDC)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	Since BPC is largely built out, there is little opportunity for construction and production of new units within the area. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.

J-51 Program

Description	The J-51 Tax Incentive program is an as-of-right tax exemption and abatement for residential rehabilitation or conversion to multi-family housing. The tax benefit is a 34-year (30 years full tax benefit and then an additional four-year phasing out of the program) or 14-year (10 years tax benefit and then an additional four-year phasing out of the program) exemption from the increase in real estate taxes resulting from the work. Affordable housing projects generally get the 34-year exemption, while other projects receive the 14-year exemption. In addition, existing real estate taxes receive an abatement of up to 8.3 percent or 12.5 percent of the cost of the work each year for up to 20 years. A significant portion of units are also income restricted for households at very low and extremely low-incomes (at or below 50% and 30% of Area Median Income, respectively).
Admin Agency	NYC Department of Housing Preservation and Development (NYC HPD)
Partner(s)	Local Affordable Housing Developers
Evaluation ●○○	Non-residential conversions would be eligible for these tax incentives, but this would be unlikely to benefit a large share of future projects within BPC. Due to its income restrictions, it would also not serve as an attractive investment for operators within BPC. The Authority can monitor programs like these to see if there are future opportunities within BPC, but current implementation is unlikely.