



Association for
Neighborhood
& Housing
Development



@ANHDNYC



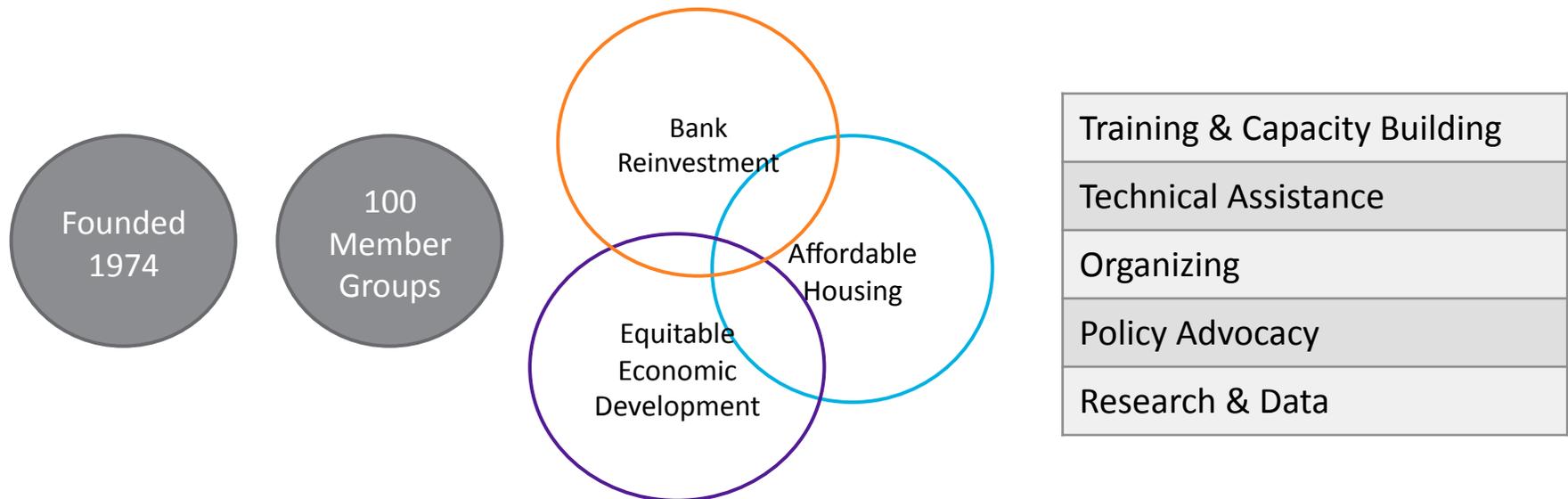
@ANHDNY

Economic Development and Gentrification

Reinventing our Communities:
Transforming our Economies

Federal Reserve Bank of Philadelphia
September 22, 2016
Hilton Philadelphia at Penn's Landing

The Association for Neighborhood and Housing Development (ANHD) is the umbrella organization of 100 nonprofit affordable housing and economic development groups, serving low and moderate income residents in all five boroughs of New York City. Since its founding in 1974, ANHD has been key in making our NYC's community development sector among the most effective in the US, providing comprehensive training, robust capacity building and apprenticeship programs, and high impact policy research.





Strategic Priorities

- Housing Preservation
- New Construction of Affordable Units
- Bank Reinvestment
- Zoning and Community Planning
- Equitable Economic Development
 - Small Businesses
 - Industrial & Manufacturing
 - Workforce Development

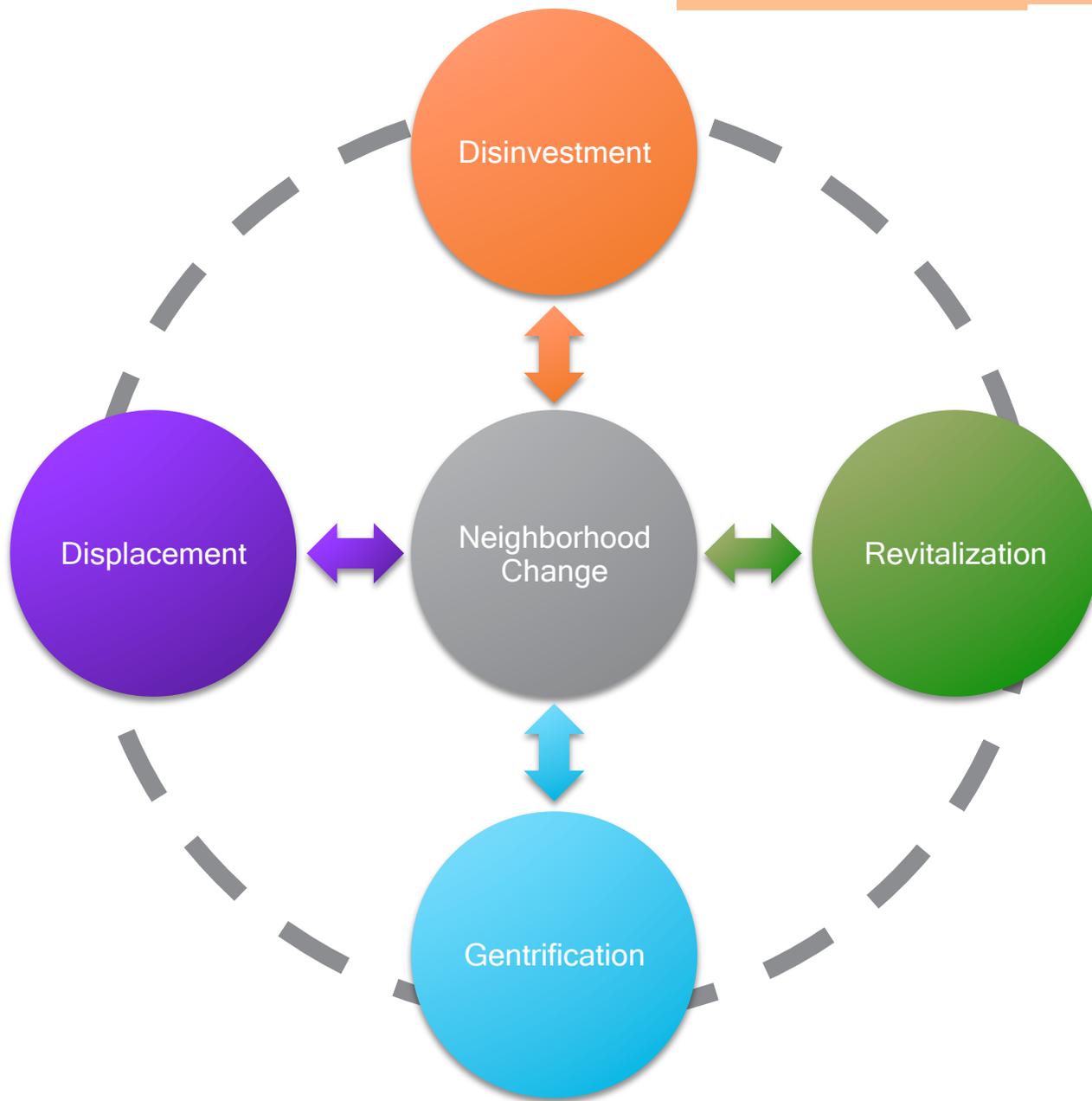
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graph TD; A[Disinvestment] --> B[Revitalization]; B --> C[Gentrification]; C --> D[Displacement];
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Disinvestment

Revitalization

Gentrification

Displacement



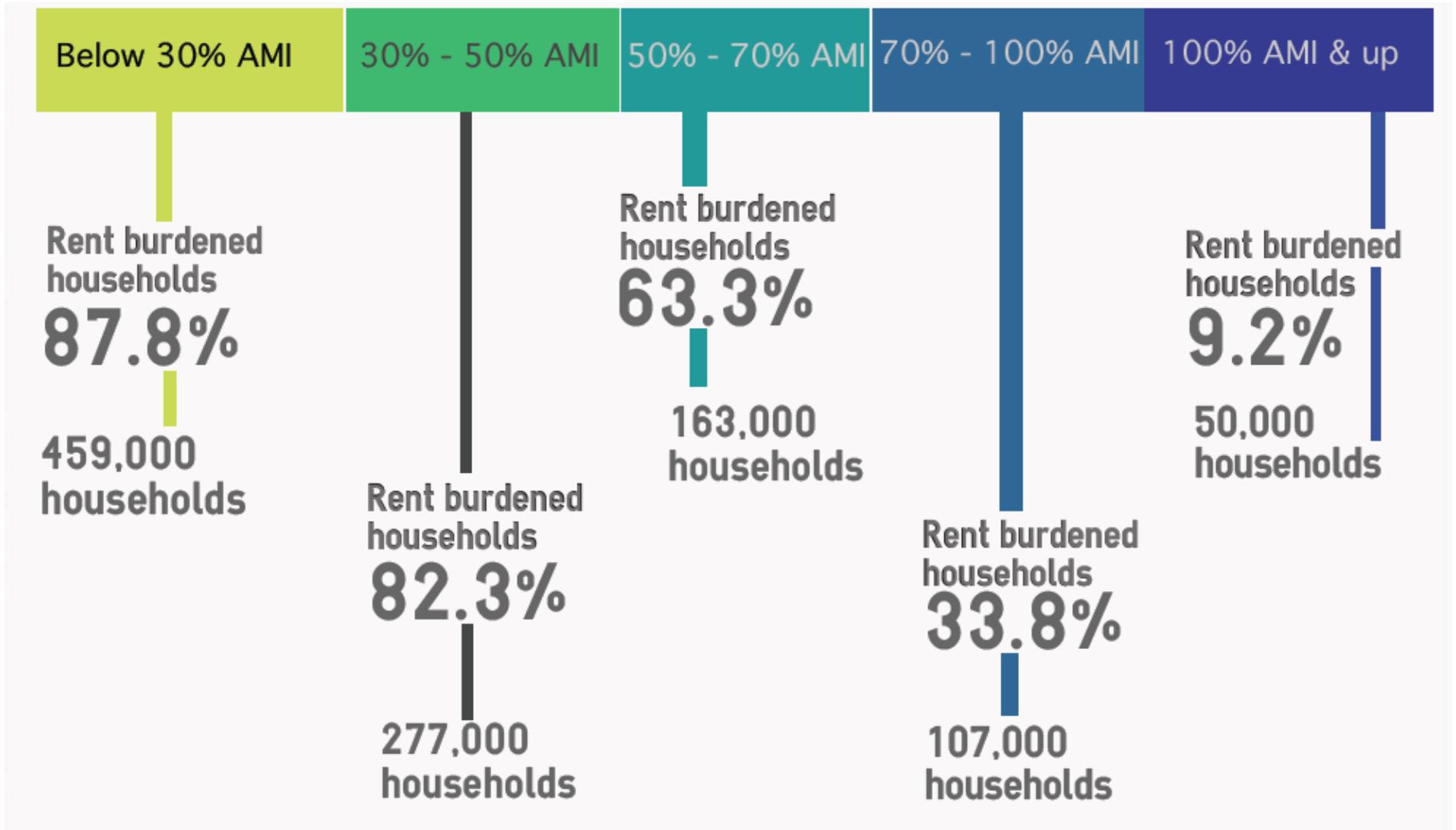
When does Neighborhood Revitalization become Gentrification?

- Affordable units expiring out of regulation in LMI area jump to market rate rents?
- Affordable housing project with units at 80%, 100%, & 120%AMI in an neighborhood with 20%-50%AMI population?
- Purchase Loan for multifamily building underwritten with higher rental revenue than current rent roll can support?
- New Tech or Biotech jobs from Economic development in a neighborhood with over 50% earning a less than a HS degree?
- BID increase streetscape and cleanliness, and rents for commercial tenants increase 100%?
- Small business loan initiative invests in new entrepreneurs while existing small business close?

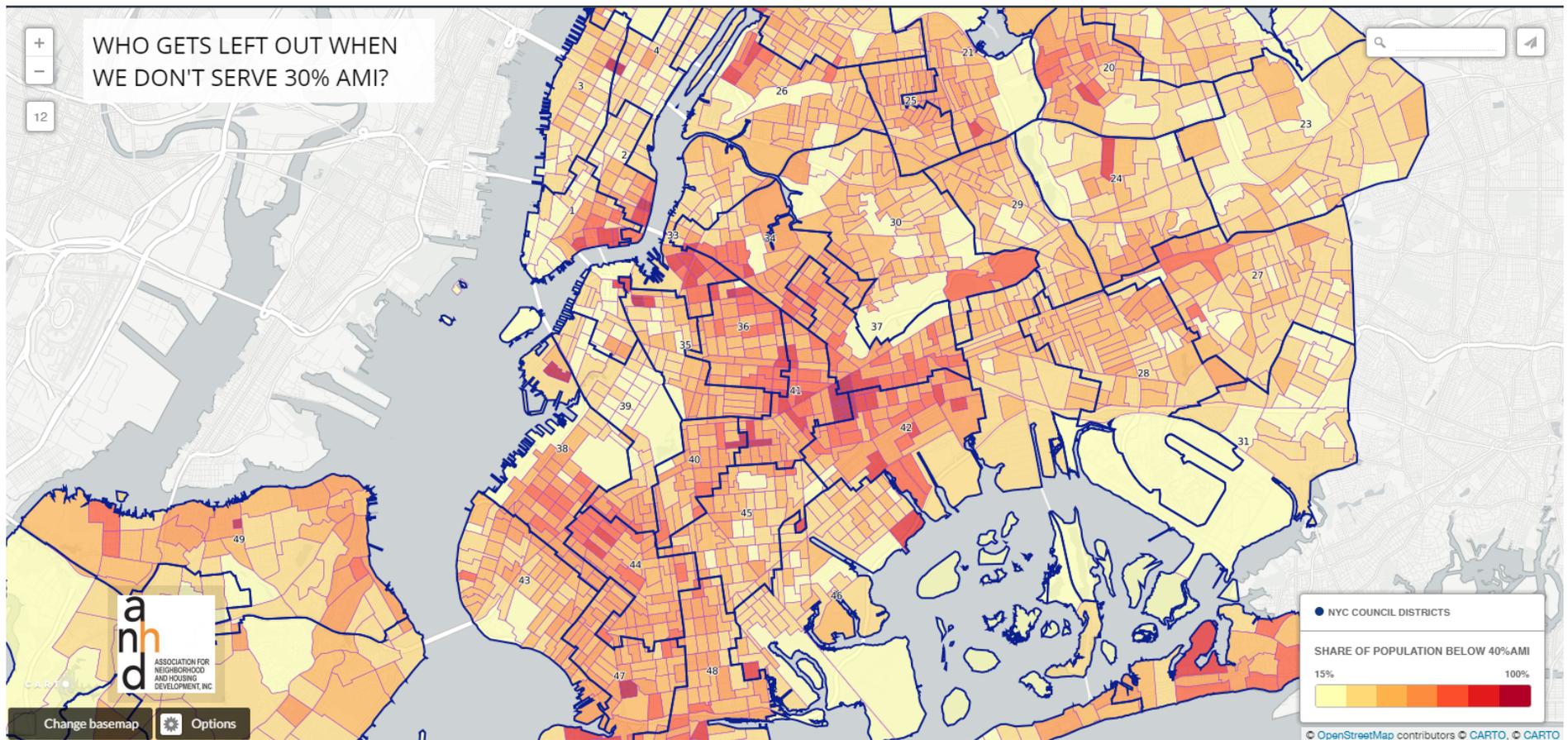
Deep Affordability

- Almost 1/3 of NYers are severely rent-burdened
- Apartment renting below \$1000 dropped by over 10% from 2011 to 2014
- Over 40% on NYC's households earn below 40% AMI
- Mayor's Housing NYC plan promises just 8% ELI unit (0-30AMI) and 12% VLI (30-50AMI)

Deep Affordability



Who Gets Left Out When We Don't Serve 30% AMI



Deep Affordability - Practices

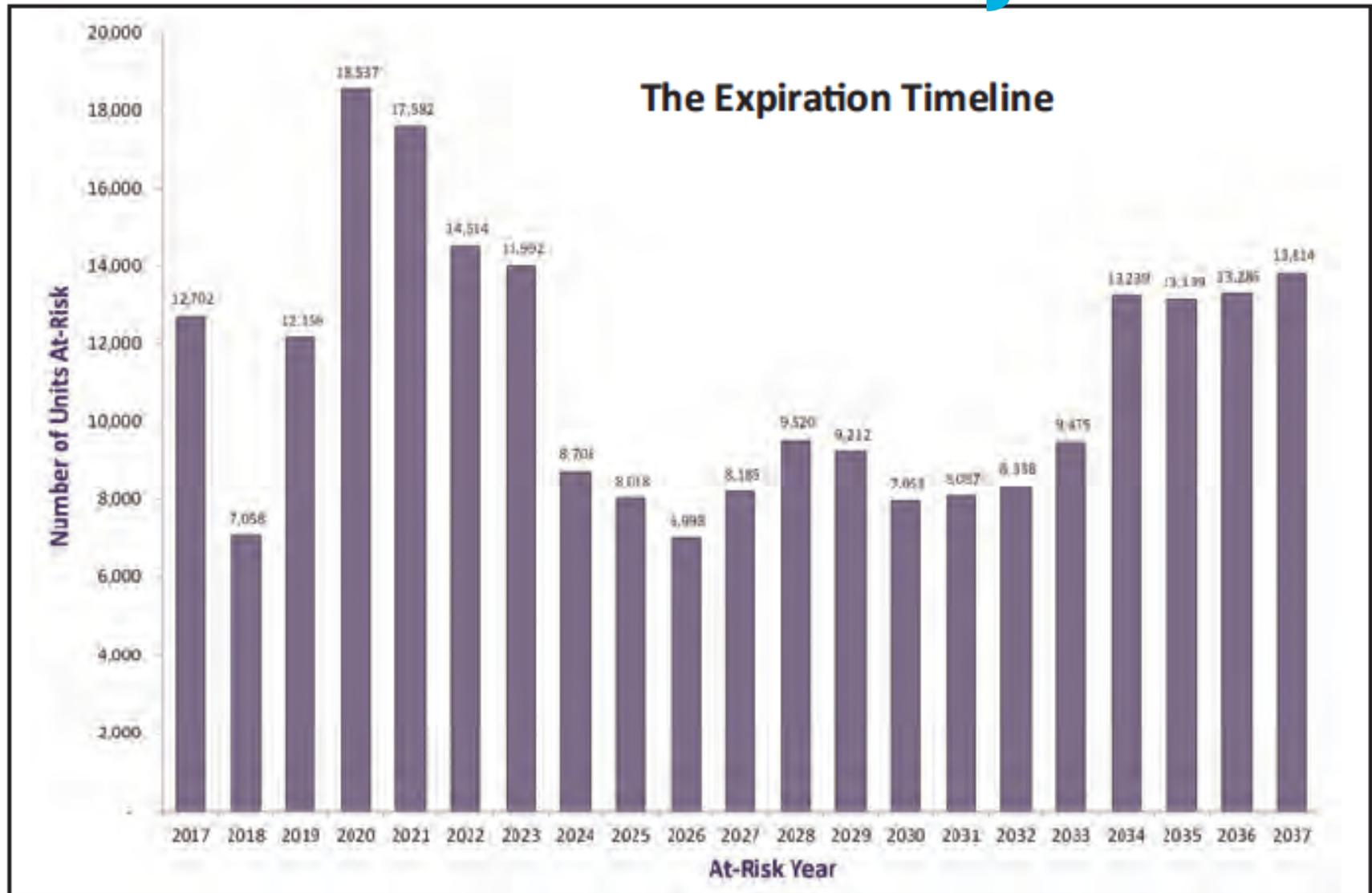
- New Deep Affordability term sheet: 40% of units set aside for 30-50%AMI or homeless.
- Mandatory inclusionary policy included deep affordability option for 20% of units at average of 40%AMI
- Require deep affordability in all publically owned sites.
- Allow AMI spreading to allow building to reach lower AMI levels
- Create a revolving Operating Expense Fund



Permanent Affordability

- Over \$7.4 Billion dollars spent on Preservation on units as of 2010
- Average of 11,000 units set to expire every year starting in 2017.
- Lost more than 150,000 rent regulated units since 2007.
- 60 Percent of Mayor's Housing NYC plan includes preservation - 120,000 units.

Permanent Affordability



Permanent Affordability - Practices

- Increased State and City QAP terms to 50 years and 60 years, respectively.
- Mandatory Inclusionary requires permanent affordability.
- Require new projects that use city owned land commit to 99-year land lease
- Require a 'mission-oriented' development entity on public sites.
- Authorize the state and City to have a "Purchase Option."

Predatory Equity & Overleveraging

- Loans that maintain the number of affordable units for building.
- Underwritten to the DSCR or at least 1.2
- Prevent speculative purchases that are underwritten with to the displacement of existing tenants.
- Require individuals reviewing appraisals are independent of the transactions itself.
- Encourage lenders to create written community outreach strategies.



Small Homes

- Graduated Flip tax to discourage flipping of homeownership stock and destabilizing small homes investment portfolios.
- Cease & Desist Zones to prevent repeated purchase solicitations.
- Good Neighbor tax credit - tax credit to homeowners with low-income tenants.
- Interest free or low-rate homeownership rehabilitation funds.



Certificate of No Harassment

- Prevent harassment of tenants
- Link clear record of no harassment to granting of Department of Building permits.
- Data would flag a building for additional review
- Or tenant and/or community group could challenge building application.
- CURE would require affordable housing units in the event that evidence of harassment is found.

DAP

Displacement
Alert Project

www.dapmapnyc.org
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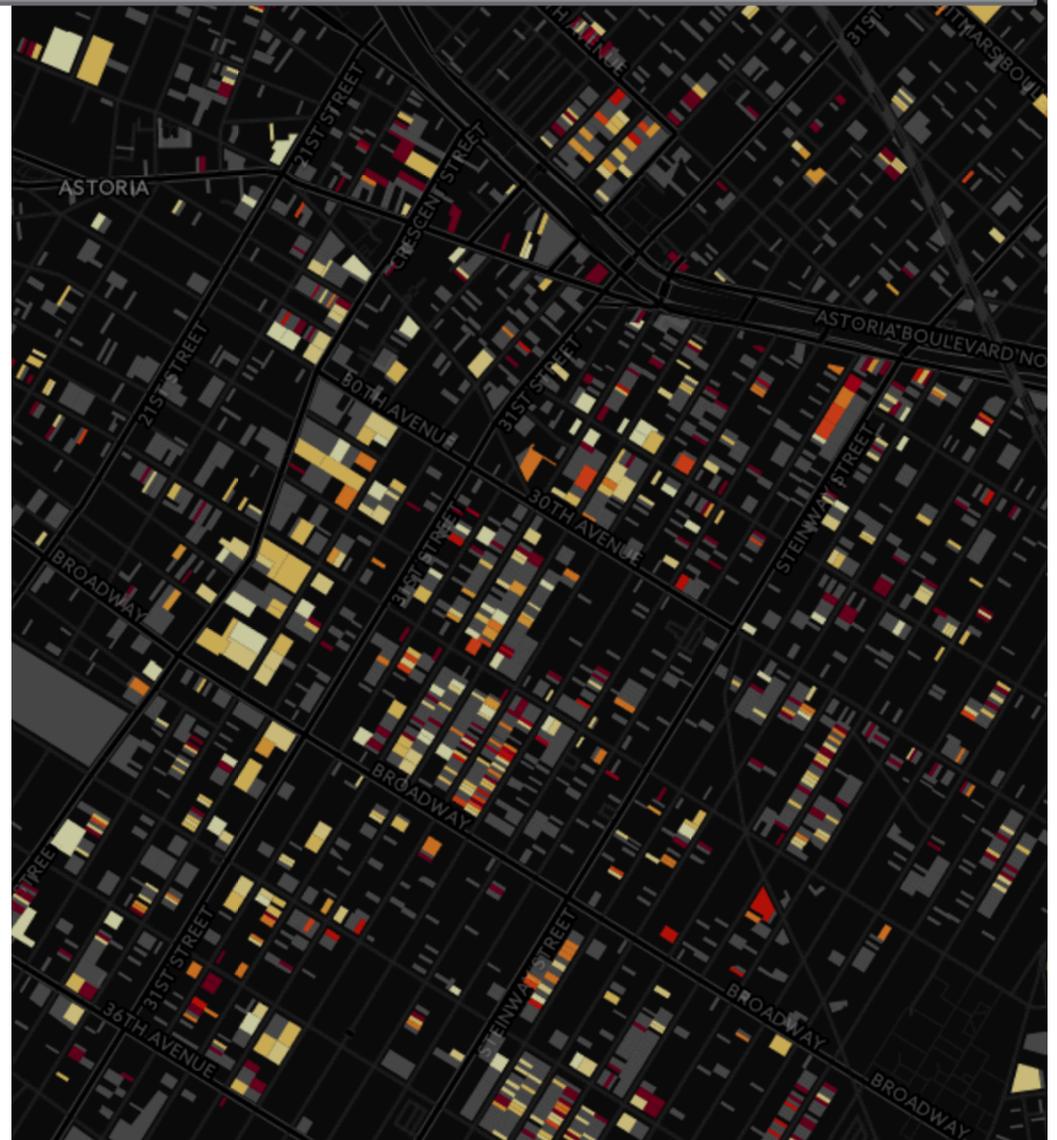
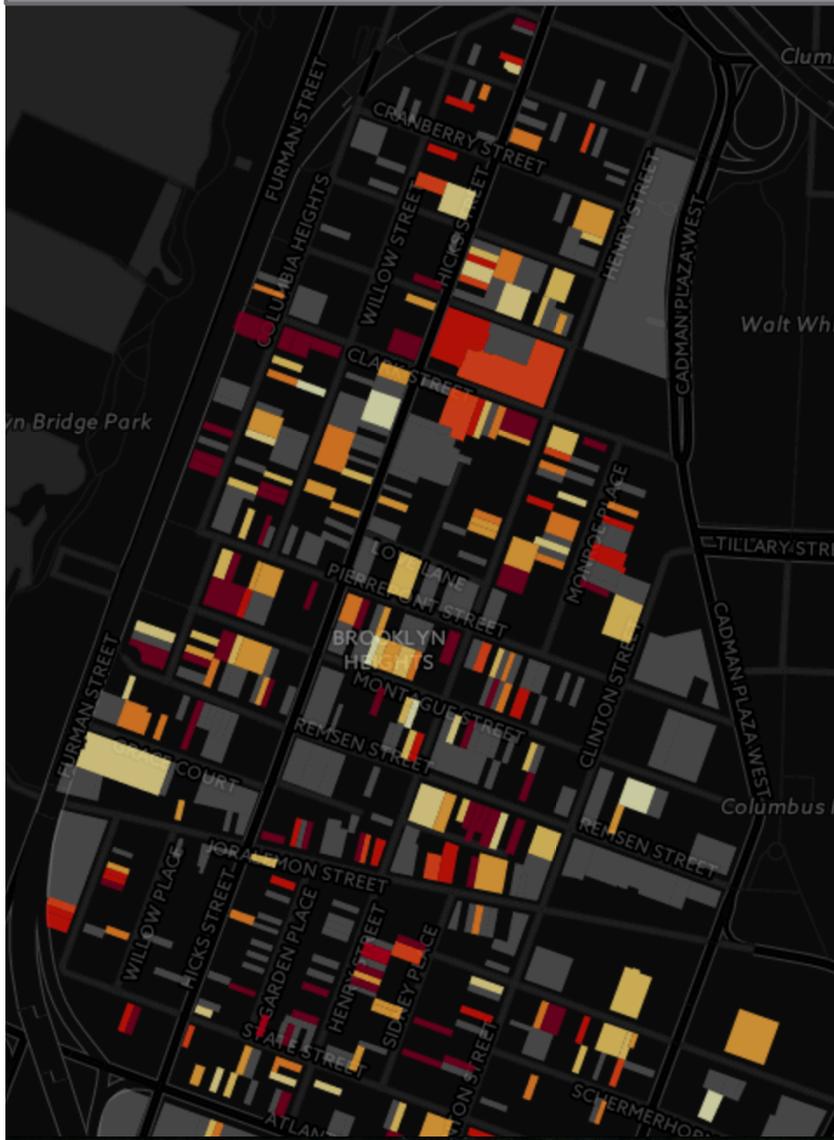
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#DAPMapNYC

The DAP Map a **building-by-building, web-based interactive map** designed to show where residential tenants may be facing significant **displacement pressures** and where **affordable apartments are most threatened** across New York City. The DAP Map has **three primary data view options** and one combined risk score view. Each data view **color-codes** the buildings by **risk-level** so the information is clear and intuitive. ANHD created the Displacement Alert Project Map or "Dap Map" is a key new tool that, for the first time, brings new information that **local activists, community groups, service providers, and policy makers** have long needed.



Displacement Alert Project

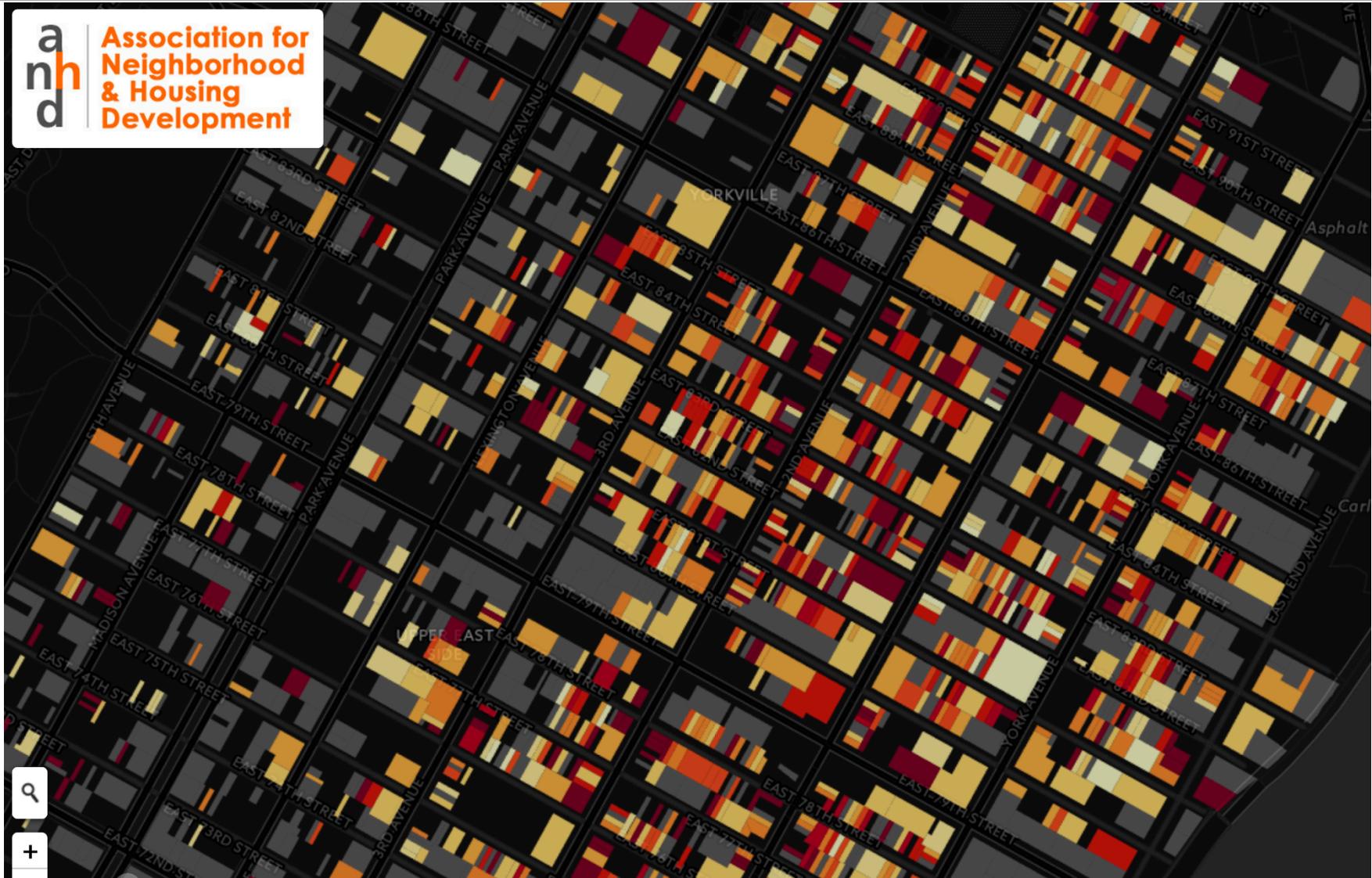
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Displacement Alert Project

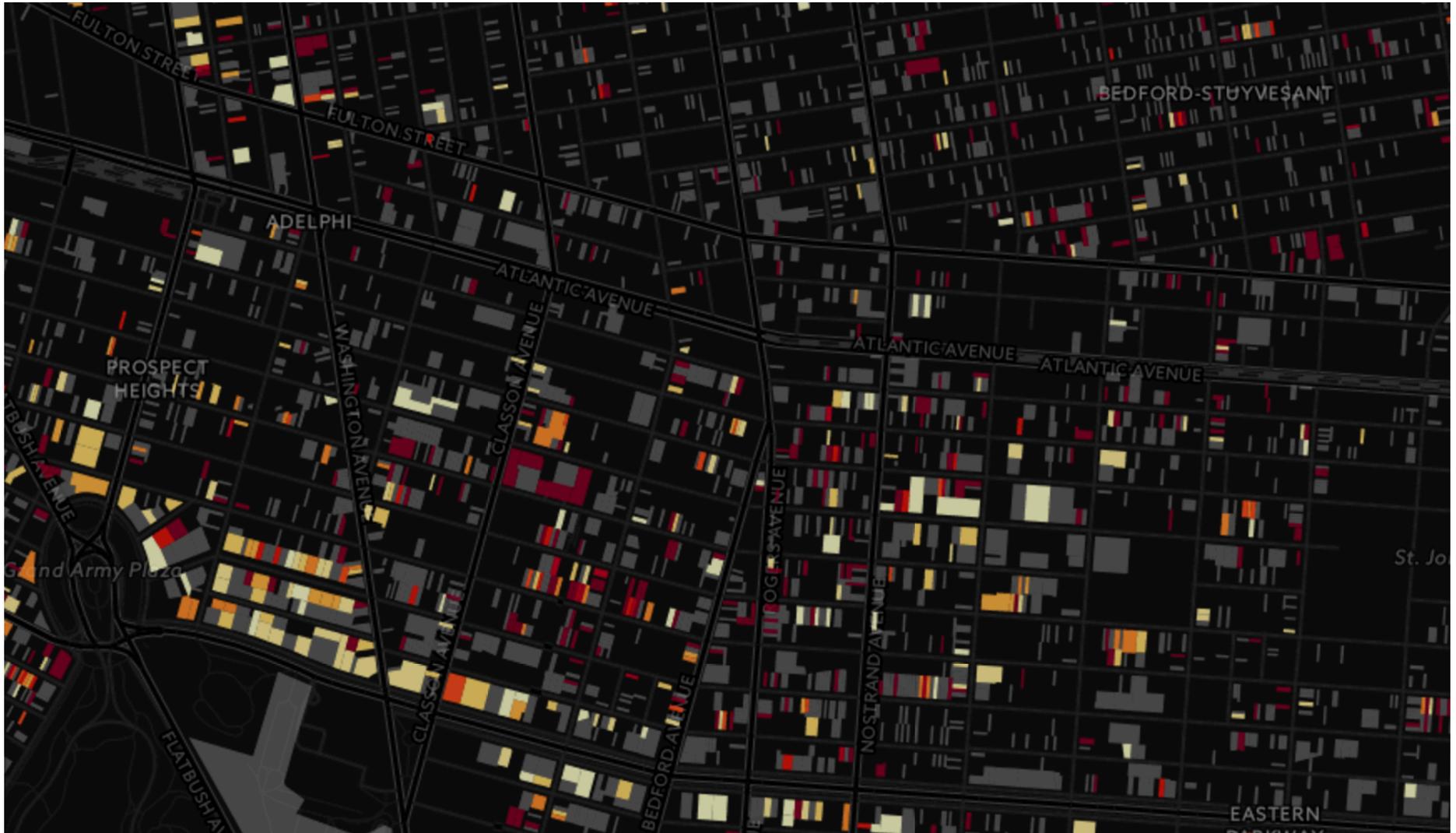
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Included on the DAP Map

- Loss of Rent Regulated Units
 - Volume of DOB Permits
 - Level of Property Sales
 - Combined Building Risk Indicator
-
- Council Districts
 - Community Districts
 - Zip codes
 - Address Search



Findings

- Over 96,000 buildings in the data set.
- 44,200 buildings with at least 1 rent regulated unit since 2007.
- 24,700 Buildings have a high risk score in at least one category.
- NYC lost over 156,000 rent-regulated units between 2007 & 2014.
- In over 3,450 buildings have been demolished
- In over 5,400 buildings the 2015 sales price per unit increased by more than double the 2010 area average.



Displacement
Alert Project

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Next Steps

- Updating all the data quarterly
- Adding layers on 1-4 family homes with unique displacement indicators,
- Adding other data in the individual building search menu such as lender and housing code violation data,
- Adding a function to allow the user to search for the aggregate data on any layer in a particular geographic area,
- And more.