# Legislation Details (With Text)

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| **File #:** | Res 0054-2010 | **Version:** | * | **Name:** | US Dept of Housing and Urban Development to approve the NYC Housing Authority's mixed-finance modernization plan to transfer or restructure the ownership of certain developments built by the City and State of NY in order to qualify for federal funding for |
| **Type:** | Resolution | | | **Status:** | Adopted |
| | | | | **In control:** | Committee on Public Housing |
| **On agenda:** | 3/3/2010 | | | | |
| **Enactment date:** | | | | **Enactment #:** | |

**Title:** Resolution calling upon the United States Department of Housing and Urban Development to approve the New York City Housing Authority's mixed-finance modernization plan to transfer or restructure the ownership of certain developments built by the City and State of New York in order to qualify for federal funding for those developments.

**Sponsors:**

**Indexes:**

**Attachments:** 1. Committee Report 3/1/10, 2. Hearing Testimony 3/1/10, 3. Hearing Transcript 3/1/10, 4. Committee Report 3/3/10, 5. Hearing Transcript 3/3/10, 6. Committee Report - Stated Meeting 3/3/10

| Date | Ver. | Action By | Action | Result |
|---|---|---|---|---|
| 3/1/2010 | * | Committee on Public Housing | P-C Item Laid Over by Comm | |
| 3/1/2010 | * | Committee on Public Housing | Hearing on P-C Item by Comm | |
| 3/3/2010 | * | Committee on Public Housing | Hearing on P-C Item by Comm | |
| 3/3/2010 | * | Committee on Public Housing | P-C Item Approved by Comm | Pass |
| 3/3/2010 | * | City Council | Introduced by Council | |
| 3/3/2010 | * | City Council | Referred to Comm by Council | |
| 3/3/2010 | * | City Council | Approved, by Council | Pass |

Preconsidered Res. No. 54

Resolution calling upon the United States Department of Housing and Urban Development to approve the New York City Housing Authority's mixed-finance modernization plan to transfer or restructure the ownership of certain developments built by the City and State of New York in order to qualify for federal funding for those developments.

By Council Members Levin, Dilan, Chin, Fidler, Gennaro, Gonzalez, Lander, Recchia, White, Mark-Viverito, Nelson, Sanders Jr. and Halloran

Whereas, The New York City Housing Authority (NYCHA) is a public housing agency (PHA) organized and funded primarily through federal programs; and



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Whereas, All NYCHA developments are included in the federal public housing program except for 21 developments, originally financed with State or City funding, that are not included in the count determining NYCHA's operating or capital subsidies; and

Whereas, Funding for the federal public housing program has declined substantially over the past several years; and

Whereas, Housing agencies are prohibited from increasing the rents paid by low-income public housing residents to more than 30% of adjusted family income; and

Whereas, Although an operating subsidy is provided to fill the gap between the rents paid by public housing families and the costs of operating public housing it has remained basically flat over the past several years; and

Whereas, NYCHA has an FY2010 operating deficit of $149 million arising primarily from reduced federal assistance, the substantial increase in non-discretionary operating costs and program restrictions that constrict the Authority's ability to utilize its funding in a manner that is best suited to address the needs of the families served; and

Whereas, NYCHA is additionally burdened by its operation of 21,000 apartments for which it has no dedicated stream of government subsidy; and

Whereas, The aforementioned 21 developments are a viable source of affordable housing currently providing accommodations to nearly 21,000 low-income households, nearly 35% of which are headed by individuals who are elderly or disabled; and

Whereas, In FY2010 the 21 developments are expected to incur an estimated operating deficit of approximately $90 million; and

Whereas, Without an assured stream of governmental assistance to cover the difference between the operating costs of the 21 developments and the rents paid by the resident families, it will be exceedingly difficult for NYCHA to continue the future operation of the 21 developments; and

Whereas, The American Reinvestment and Recovery Act (ARRA) provides NYCHA with an opportunity to address the ongoing deficit caused by the lack of funding for the City and State developments by permitting PHA's to bring additional units into the federal public housing portfolio for the purpose of receiving federal operating and capital dollars by undertaking a mixed-financed modernization plan; and

Whereas; The mixed-finance modernization plan involves using a combination of federal and private funds to make capital repairs to the 21 developments while NYCHA maintains control and operations, with the goal of placing the 21 developments into the formula that determines the level of NYCHA's operating or capital subsidies from the federal government; and

Whereas, The New York State Legislature has approved legislation which would authorize NYCHA to undertake the mixed-financed modernization plan and would provide much needed funding for the City and State developments; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Department of Housing and Urban Development to approve the New York City Housing Authority's mixed-finance modernization plan to transfer or restructure the ownership of certain developments built by the City and State of New York in order to qualify for federal funding for those developments.

BJG
LS # 411
2/25/2010