



# Five ways to build a roof over Brooklyn.

Spring 2021

**Strategic Plan for a  
More Affordable New York**

**Toba Potosky  
Candidate for City Council  
District 33**

# Strategic Plan for a More Affordable New York

*Together, we can bring change to this broken system.*

**New York City  
is in an  
affordable  
housing crisis.**

How many times have we heard that? Let's face it, if lawmakers wanted to do something about the lack of affordable housing in New York City, *they would have done it already.*

For two decades I have fought for our communities, preserving their character and history while working to ensure a future of hope and progress. I recognize that even before COVID-19 impacted our lives, our city suffered from an unresponsive City Hall burdened with government bureaucracy, red tape, and incompetent leadership.

## **Here's the good news:**

NYC doesn't lack affordable housing opportunities. *New York City lacks affordable housing leadership.* That's one key reason why I decided to run for City Council.

In the 60's and 70's, New York City built over *100,000* affordable apartments. Let's make the rest of this decade one of affordable housing and homeownership.

## **I know affordable housing, because I live in it.**

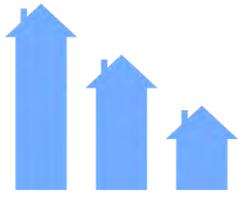
I am a beneficiary of the Mitchell-Lama program, considered one of the most successful affordable housing programs in New York. I live it. I understand it. That's why I'm committed to creating more affordable housing for low, moderate, and middle-income New Yorkers. With my five-point plan, we will:

- Empower low to moderate income New Yorkers to become homeowners;
- Recalibrate the rent-to-income ratio;
- Restore and revitalize NYCHA and NYCHA housing;
- Replace homeless shelters with provisional housing and supportive services; and
- Pass an all-new Rent Assistance Program.

It's time for our city to deliver on its commitment to creating quality affordable housing.



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## **Solution 1: ENABLE HOME OWNERSHIP**

### **Breaking the Cycle of Poverty**

Throughout the 5-boroughs, low-income individuals and families live in distressed or near foreclosed properties. We can work with lenders and landlords to convert these properties so that residents can buy their apartments at below market rates. In doing so, they get off the endless rent roll and become homeowners for the first time.

In addition, building 100% affordable co-op apartment buildings for working-class New Yorkers and their families is one of the most powerful ways to tackle inequality. By re-evaluating existing programs and updating them to ensure we make more New Yorkers eligible for homeownership, we help to build wealth through homeownership.

- **Homeownership as a Pathway to Racial, Social, and Economic Justice**

I am a staunch advocate for homeownership in the form of a Limited Equity Cooperative (LEC). A LEC is when a person or family purchases shares in a cooperative apartment building. Although they are buying shares in the entire co-op, the purchase includes an apartment lease. The purchaser agrees to resell their shares (at a future date) at a price determined by a formula that maintains affordability for decades to come. The only way to break the poverty cycle is for low, moderate, and middle-income New Yorkers to own their own home. LEC's play a significant role in helping NYC residents build wealth.

- **Housing Development Funding Company (40% AMI - 130% AMI)**

Created in 1966 for low-income renters living in distressed or formerly foreclosed properties, Housing Development Funding Companies (HDFC's) provide low-income tenants the ability to purchase their apartments at far below-market-rate prices. Former rental properties are allowed to convert to a co-op with a provision to remain affordable for a specified number of years. Nonprofits like "UHAB" and "Habitat for Humanity NYC" provide counseling, financing, and many other services to help these new homeowners succeed. New HDFC apartment buildings can be built on city-owned land, providing thousands of new affordable housing units and a new life and opportunity for low to moderate-income New Yorkers and their families.

- **Low-Income Housing Tax Credits / Rent to Own (30% AMI - 60% AMI)**  
The Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low to moderate-income tenants. Tenants can participate in a "rent to buy" program at either a 15-year or 30-year time frame. A portion of the monthly rent is set aside for a future downpayment.
  
- **Mitchell-Lama Cooperatives (40% AMI - 120% AMI)**  
The Mitchell-Lama program is often considered the most successful affordable housing program in New York history. It was created in 1955 to provide middle-income New Yorkers with quality affordable housing. Developers working with city and state agencies created over 100,000 quality affordable units. Most notably, Co-op City in the Bronx, Big Six Towers in Queens, Esplanade Gardens in Manhattan, and Lindsay Park in Brooklyn. There have been discussions on reviving the program, and I wholeheartedly support bringing it back.
  
- **Increase HomeFirst Down Payment Assistance Program**  
Currently, a family of four has an income cap of \$90,950 (80% of AMI) to qualify for up to \$40,000 of first-time down payment or closing cost assistance. We need to adjust the income cap to 130% of AMI and \$65,000 for a down payment or closing costs. By raising the income eligibility cap from \$90,950 to \$147,810 for a family of 4, we provide homeownership opportunities to more working-class New Yorkers like teachers, hospital workers, and city employees currently over-income and left out of city-run affordable housing programs.

### **Strengthening our Neighborhoods through Homeownership**

From Greenpoint to Downtown Brooklyn, local workers say, "I wish I could afford to live in this neighborhood." Providing quality affordable housing through city initiatives like HomeFirst, HDFC's, or Rent to Own provides city workers the chance to live closer to their work. This shortens their daily commute, lets them spend more time with family and or other activities, and strengthens our neighborhoods.



## Solution 2: LOWER RENT TO INCOME RATIO

The 30% rent-to-income ratio is a Reagan Era outdated system for determining rent affordability. By redesigning the calculation for NYC to reflect the financial conditions of more New Yorkers, we can create a more fair and equitable system for the 21st century.

Currently, this standard is based on annual gross income. *Instead, it should be based on net income.* This ensures that the ratio considers the cost of child care, eldercare, or individuals with student loans or above-average healthcare costs, amongst other expenses we consider unavoidable for most other purposes.

For context, these are current annual median income levels for NYC families, and the affordable housing rates they are eligible for. We can and should do better.

### Current NYC Family AMI (Annual Median Income)

Family Size	60% AMI	70% AMI	80% AMI	90% AMI	100% AMI	110% AMI	120% AMI	130% AMI
1	\$47,760	\$55,720	\$63,680	\$71,640	\$79,600	\$87,560	\$95,520	\$103,480
2	\$54,600	\$63,700	\$72,800	\$81,900	\$91,000	\$100,100	\$109,200	\$118,300
3	\$61,440	\$71,680	\$81,920	\$92,160	\$102,400	\$112,640	\$122,880	\$133,120
4	\$68,220	\$79,590	\$90,960	\$102,330	\$113,700	\$125,070	\$136,440	\$147,810

### Current NYC Affordable Housing Monthly Rents

Unit Size	60% AMI	70% AMI	80% AMI	90% AMI	100% AMI	110% AMI	120% AMI	130% AMI
Studio	\$909	\$1,080	\$1,250	\$1,472	\$1,643	\$1,814	\$1,985	\$2,155
1 bedroom	\$1,143	\$1,356	\$1,570	\$1,847	\$2,060	\$2,273	\$2,487	\$2,700
2 bedroom	\$1,366	\$1,622	\$1,878	\$2,211	\$2,467	\$2,723	\$2,979	\$3,235
3 bedroom	\$1,570	\$1,865	\$2,161	\$2,545	\$2,841	\$3,136	\$3,432	\$3,728



## **Solution 3:**

# **REVITALIZE NYCHA HOUSING**

In February 2021, the New York City Housing Authority (NYCHA) reported a backlog of almost 500,000 work orders with an average repair time of over 225 days. Throughout 2020, NYCHA failed in its response to educate tenants regarding COVID-19 procedures and in setting COVID protection protocols for its properties. They failed to respond to tenant requests for cleansers, sanitizers, and PPE.

NYCHA residents live with mold, leaky pipes, at times no water, and all too often no heat on the coldest days of the year. The new RAD private management program, put in place to remedy these problems, has been accused of forging tenant signatures on work order tickets. The number of NYCHA apartments where lead paint was discovered was intentionally under-reported by 3,000 units.

Billions of tax dollars have been spent on repairing NYCHA's broken system, but to no avail. The federal government is prepared to spend \$40 billion more in the hope of bringing up the quality of living to a reasonable standard. When a bureaucracy is divided among city, state, and federal agencies, the result is a multi-level blame-fest with no accountability. Most tenants believe that NYCHA has proven incapable of providing basic services. A NYCHA resident recently remarked that those in charge either don't know how to fix the problems, or they just don't care.

- **Speak Up Speak Out Working Group**

No one knows and understands the challenges in most NYCHA properties more than the people who actually live there. We will create a working group consisting of representatives from every residential floor. NYCHA residents must have a greater say in the care, maintenance, and management moving forward.

- **Tenants Bill of Rights**

A Tenants Bill of Rights lists the rules that empower the tenants' right to livable conditions. This includes, among other things, heat, hot water, and electricity in a safe and mold-free environment. It lists an appropriate number of days for a work order to be resolved and specifies legal action that tenants can take. NYCHA would be responsible for covering the cost of legal fees for tenants.

- **Rent Rebate for NYCHA Tenants**

NYCHA residents have lived with unlivable conditions for too long. They deserve two years of back rent paid out over two years in the form of a rent subsidy.

- **Accountability Communication and Transparency Agreement**

Onsite Property Managers will be required to sign every work order ticket. The ticket will include the parts needed, the work that will be performed, and a timeline for the repair. If the timeline is not met, the tenant will receive a rent rebate depending upon the repair type.

- **Scholarships / Apprentices Programs**

New York State's slogan is the "State of Opportunity," yet we rarely make it a priority to provide an opportunity to those who would benefit the most. Public housing like NYCHA can be part of the solution to an income inequality problem.

I will propose legislation to partner with the City University of New York to provide free and accessible vocational training programs to NYCHA residents in association with our unions, and create a scholarship program for NYCHA residents (of all ages) to attend CUNY colleges at a reduced cost.

Starting at the high school level, we will create a NYCHA after-school apprenticeship program sponsored in association with the unions. Apprenticeship programs provide young people with practical application education in addition to their regular school work. These students could receive special recognition or achievement from their schools, including high school and college credit. Apprenticeship programs offer students a sense of personal worth.

Graduates of a three-year apprenticeship program would qualify for CUNY scholarship, helping to provide a path out of poverty.



## Solution 4:

# ELIMINATE HOMELESS SHELTERS

According to The Bowery Mission, “nearly one in every 106 New Yorkers is homeless — that’s nearly 80,000 men, women, and children. Every night, nearly 4,000 people sleep on the street, in the subway system or in other public spaces...” It is estimated that 22,000 children sleep in shelters each night. We all share our communities.

Each year we spend millions on a shelter system that does not provide security, stability, or recovery. There are many causes for homelessness: mental illness, substance abuse, domestic violence, lack of affordable housing, unemployment, and more.

We need to phase out of the shelter system, redirect funds to programs that work, support those who need it, and help move people out of homelessness.

- **Provisional Housing with On-site Supportive Services (PH & SS)**

It’s a game-changer: provide people help they actually need. Once placed in an apartment, people can begin the recovery process. Provisional housing is treated like a campus. You are there to heal, learn, and graduate to a more successful life. PH & SS provide goal-oriented treatment, job training, counseling, and other services that prepare individuals to re-enter society on better terms. It also provides a safe environment for children. This is a powerful way to leverage some of the now empty older hotels and office buildings throughout the city.

- **Expand Safe Haven Program**

Safe Havens are effective in getting the toughest to house off of the streets and into safe places. We must understand their concerns as to why even in the most frigid days, so many wish to stay unsheltered. Safe Haven housing must be expanded to address the immediate needs of housing the most vulnerable. It is a more economical model than hotels. It has the most direct and immediate effect on helping those on the street, who are the most visible and the most vulnerable.

- **Expand Nonprofit Support**

Organizations like “Breaking Ground” and “Community Counseling and Meditation” provide housing for low-income and the formerly homeless, some of whom live with HIV/AIDS, mental illness, or physical disabilities. They offer onsite supportive services, recreational activities, and amenities. Nonprofits across the City know our homeless population well and are best suited to meet their needs. Let’s allocate the funds necessary for those among us who need it the most.



## Solution 5:

# RENT ASSISTANCE PROGRAM

New Yorkers are in desperate need of rent assistance and relief. The recent proposal to “Cancel Rent” is the building block of a larger conversation, but we need to find a better solution. Instead, we want to “Subsidize Rent” so that landlords are not left out in the cold with hefty bills to pay, triggering a financial crisis. Many landlords in NYC are not the mega-corporations that come to mind but family businesses that own one or two small properties.

The Rent Assistance Program would prevent these complications and guarantee that the help provided is distributed fairly across all renters.

- **Establish Levels of Support**

The State’s very successful Tuition Assistance Program (TAP) provides grants to students and their families up to the amount of SUNY tuition, regardless of whether they attend a public or private college. The Rent Assistance Program (RAP) will do the same in that it will provide grants to individuals and families up to the highest NYCHA rent rates, regardless of whether they live in public or private housing.

- **Determine Eligibility**

The Rent Assistance Program would be offered to residents living in NYCHA properties and will be automatically enrolled. An easy online application will determine eligibility based on the very same income and asset factors that determine the sliding scale rental rates at NYCHA properties for those residents living in other properties.

- **Ensure Program Viability**

The program would be piloted over 5-years. Rent subsidies, tracked by the City, would be sent directly to landlords to cover the eligible portion of a participant’s monthly rent. Landlords must accept this payment and cannot hold renters liable for the subsidized portion of their rent during the pilot program.

# **New York City and Our Affordable Housing Future**

**Let's face it: there is a real disconnect between City Hall and the rest of us.**

With every election cycle, we have the chance to choose leaders who will transform our future. Leaders who have the tenacity and the temerity not to back down, not take no for an answer, to persevere in the face of bureaucracy because the goal is more important than the challenge.

Join me in making a real commitment to building the next 100,000 affordable housing units, and then another 100,000 after that. Let's make this decade the era of quality affordable housing for New York City.

**We deserve better.**

**It's time to put people over politics.**

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**Questions about Toba's ideas? Looking to pitch your own?**

**We want to hear from you.**

Reach out to us through our website at [www.toba2021.com](http://www.toba2021.com) to make an appointment for a phone call or send us a note. Toba is passionate about housing policy and would love to hear your thoughts and discuss them with you directly.

