

# FURMAN CENTER FOR REAL ESTATE & URBAN POLICY

NEW YORK UNIVERSITY SCHOOL OF LAW • WAGNER SCHOOL OF PUBLIC SERVICE

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For Immediate Release

New York, NY

March 30, 2009

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## **NYU's Furman Center and the NYC Department of Housing Preservation and Development Launch Initiative to Track Affordable Housing in Danger of Converting to Market Rate Rentals**

*The three-year project will make critical data available to the public and help develop comprehensive and proactive housing preservation strategies.*

NYU's Furman Center for Real Estate and Urban Policy, in cooperation with the New York City Department of Housing Preservation and Development (HPD), has been awarded funding from the MacArthur Foundation to embark on a new three-year project to track affordable housing units at risk of converting to market-rate and to identify new opportunities for preserving the housing's affordability. The Preservation Data Project has three main components: a database of affordable housing in New York City, including detailed information on the dates when restrictions on rents expire; an "early warning" system designed to identify especially vulnerable properties at risk of opting out or failing to meet the requirements of subsidy programs that impose affordability restrictions; and new analytic tools for assessing the potential to preserve the properties as affordable housing.

"We know that New York City is at risk of losing tens of thousands of affordable units that are crucial for the City's low-income residents, but little is known about this housing stock," commented Vicki Been, director of the Furman Center. "A comprehensive and well-targeted preservation strategy requires extensive project-level data on the full inventory of assisted housing potentially at risk, as well as incisive analysis and interpretation of that data. We applaud the MacArthur Foundation and HPD for dedicating new resources to this critical issue."

While the problem of "expiring uses" plagues many areas of the nation, resulting in the conversion of affordable units to market-rate, the problem is particularly acute in New York City because of the tremendous size of the City's privately-owned, subsidized housing stock and the high cost of physical maintenance. HPD has responded by making the preservation of existing affordable housing a key component of Mayor Michael R. Bloomberg's New Housing Marketplace Plan to build and preserve 165,000 units of affordable housing. The Preservation Data Project Promises to be a valuable resource to aid this effort.

"For the past seven years, we've worked hard to create affordable housing opportunities for New York City residents and preserving affordability of existing housing is a critical component of this effort," said HPD Commissioner Rafael Cestero. "The Preservation Data Project will help track the status of these buildings, generating the information necessary to identify buildings near the end of affordability restrictions and to support the execution of preservation deals. We are delighted to have partners in the Furman Center and the MacArthur Foundation to undertake this effort."

The grant from the MacArthur Foundation will allow the Furman Center to create a new interactive database, most of which will be publicly available, through which government agencies, non-profits and community groups can track the tens of thousands of affordable rental units at risk of expiring out of the Federal Low Income Housing Tax Credit (LIHTC), HUD, Mitchell-Lama and HPD-financed programs. In addition, it will allow the Center to develop new tools and systems that the broader affordable housing community can use to target properties that present the greatest risks and the highest potential for preservation.

"The Preservation Data Project will be an important new resource for community organizations that are engaged in preserving affordable housing throughout the city, and the MacArthur Foundation deserves our thanks for making this a reality," commented Benjamin Dulchin, Deputy Director for the Association for Neighborhood and Housing Development. "We especially appreciate HPD's commitment to this issue and the Furman Center's commitment to making information and analysis available in a way that is accessible and useful to the organizations on the ground that are trying to maintain affordable housing in their communities."

The Furman Center has begun meeting with non-profits, developers and other key members of the affordable housing community, as well as public officials to design the database. The initial database of projects will become available by March 2010.

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#### **About the Furman Center for Real Estate and Urban Policy**

The Furman Center for Real Estate and Urban Policy is a joint center of the New York University School of Law and the Robert F. Wagner Graduate School of Public Service at NYU. Since its founding in 1995, the Furman Center has become the leading academic research center in New York City devoted to the public policy aspects of land use, real estate, and housing development. The Furman Center is dedicated to providing objective academic and empirical research on the legal and public policy issues involving land use, real estate, housing and urban affairs in the United States, with a particular focus on New York City. More information on the Furman Center can be found at: <http://furmancenter.org>.

#### **About the New York City Department of Housing Preservation and Development (HPD)**

HPD's mission is to promote quality housing and viable neighborhoods for New Yorkers and is the nation's largest municipal housing preservation and development agency. Responsible for implementing Mayor Bloomberg's New Housing Marketplace Plan to build and preserve 165,000 units of affordable housing, HPD also actively promotes the preservation of affordable housing through education, outreach, loan programs and enforcement of housing quality standards. For more information visit [www.nyc.gov/hpd](http://www.nyc.gov/hpd)

#### **About the MacArthur Foundation**

The MacArthur Foundation supports creative people and effective institutions committed to building a more just, verdant and peaceful world. In addition to selecting the MacArthur Fellows, the foundation works to defend human rights, advance global conservation and security, make cities better places and understand how technology is affecting children and society. MacArthur supports the \$150 million Window of Opportunity initiative, which seeks to preserve the stock of affordable rental housing and a comprehensive \$25 million research program on how housing matters to families and communities. More information is available at [www.macfound.org](http://www.macfound.org).