



**Coalition for
Affordable Homes**

New Yorkers United for
Affordable Homeownership

Policy Platform

New York City's vibrant and diverse neighborhoods are the bedrock of its success. In these neighborhoods, working families have had the opportunity to invest in their communities by purchasing homes of their own. They have set down roots, raised children, and forged strong community bonds. From Jamaica, Queens to Wakefield in the Bronx, these communities of **middle- and working-class homeowners** have helped balance the city's housing stock. Affordable homeownership allows families to build equity and, by doing so, **it makes New York more equitable**. In turn, many of these homeowners provide affordable rental housing as small landlords. This naturally occurring affordable housing allows middle- and working-class families to live, grow, and thrive in the city where they have made their homes and pursued their careers. In planning for the future of New York City, **preserving these communities and homes**, while investing in new homeownership opportunities for working families, **must be a top priority**.

Sadly, the promise these neighborhoods hold as **a bridge to the middle class has never been more threatened**. In the all-too-recent past, these communities were targeted by predatory lenders, leading to the **worst foreclosure crisis since the Great Depression**. Though much of the city's real estate market has rebounded since the recession, middle- and working-class residents in many areas are **still struggling to recover**, and they now face new threats. An overheated market fueled by speculators and investors trying to buy homes on the cheap and flip them for big profits could **drive families out** of the communities they have called home for decades, and make it impossible for lower- and middle-income New Yorkers to afford new homes. **We must not allow these vulnerable communities to fall prey** to the speculators and moneyed interests that are pushing middle- and working-class families out of New York City neighborhoods.

A long-term housing plan for New York must ensure that we **preserve and create affordable homeownership opportunities** for working families. As the City finalizes its long-term vision for the future of affordable housing, and sets the course for **keeping the promise** of New York in reach for people of all incomes and all backgrounds, we have a valuable opportunity to support these communities and neighborhoods. We must create new opportunities for affordable homeownership, curb speculation, maintain these **bastions of social mobility**, and make smart long-term investments to keep these neighborhoods affordable. The following policy actions are a **road map for protecting** this critical part of the city's naturally occurring **affordable housing** stock.

1 Prevent Displacement of Low- and Moderate-Income Homeowners

- Increase available funding for **grants and loans** for low- and moderate-income homeowners to **repair and renovate their homes**. Simultaneously, existing programs should be reexamined and streamlined in order to deliver consumer-friendly service in a reasonable timeframe.
- Support the **BASE Campaign pilot program** to legalize safe basement apartments and keep them affordable.
- Ensure that 1-4 family homes are incorporated into **the City's comprehensive anti-displacement strategy**.
 - Prevent foreclosures and new waves of predatory lending, foreclosure rescue scams, and deed theft scams by continuing to ensure that homeowners have access to housing counseling and legal services in their community.
 - Support community organizing and education for homeowners and tenants in 1-4 unit buildings.
- **Stop the sale of City tax and water liens** for Class 1 properties, which includes 1-3 family homes, to private investors.
- **Reform City tax policy and water and sewer fees** to promote affordability for low- and moderate-income homeowners and renters in these homes. Options for doing this include **the Good Neighbor Tax Credit**, which would provide a Real Property Tax Abatement to owner-occupants of small buildings (2-4 family homes) who rent apartments to eligible low- and moderate-income tenants at below market rates; or **capping water and sewer charges** in exchange for maintaining affordable rental units.
- Deter speculation by imposing an **Anti-Flip tax** or by increasing Real Estate Transfer Taxes on all transfers to non-owner occupied (investor purchased) units. At the same time, ensure that information about the ownership and financing of properties owned by corporate entities are made public. Invest revenue from these taxes into **housing trust funds**, and use them to fund long-term affordability programs.
- Ensure that City funds are **not used to enrich real estate speculators** and affiliated entities that engage in practices harmful to homeowners such as distressed note purchases by profit-driven actors.

2 Enhance and Expand Opportunities for Affordable Homeownership

- **Expand downpayment assistance** to a level commensurate with property values for low- and moderate-income homebuyers, following the lead of high-cost markets like San Francisco. Tie these subsidies to resale or recapture restrictions that ensure long-term affordability.
- Encourage more lenders to develop new and innovative products for Low- and Moderate-Income ("LMI") households and **increase financing for LMI Housing Development Finance Corporations** ("HDFCs"), using the federal Community Reinvestment Act and the local Responsible Banking Act, as it evolves, as robust tools to hold financial services companies accountable.
- Encourage expanded access to credit by **increasing support for successful mortgage financing** products like SONYMA's Achieving the Dream and Habitat for Humanity programs.
- Support **Community Development Financial Institutions** ("CDFIs") and credit unions involved in lending to small building owners and LMI coop and condo home buyers.

3 Implement Community Land Trusts (CLTs) in NYC

- Advance and fund the **community land trust model** that has incredible potential, and demonstrated results in other cities, to keep homeownership permanently affordable and preserve public investments in affordable housing.
- Develop **local tax assessment strategies** that ensure the long-term stability and affordability of properties located on community land trust land, and create incentives for the development and transfer of land to community land trusts. Enact a statute that defines community land trusts and provides for fair tax assessments that break out land costs from improvements.
- Enact a statute creating a **community land bank** in New York City and support its creation.
- Encourage government and private lenders to develop products geared towards CLT buyers.

4 Increase Funding for the Creation and Preservation of LMI Homeownership

- **Create state and city housing trust funds** with dedicated revenue streams, including proceeds from the proposed “Mansion Tax” and our proposed anti-speculation tax proposals, to provide flexible funding for the creation, rehabilitation, and preservation of LMI homeownership and Extremely Low Income rental housing.
- Support and fund the **Community Restoration Fund** in its mission to purchase distressed notes, as well as properties being sold at auction or via short sale.
- Ensure that **settlements** with financial institutions over misdeeds related to the foreclosure crisis are **used to assist homeowners and their communities**. Spending settlement funds on unrelated uses is unacceptable.
- Support new construction that aims to serve lower- and middle- income home buyers by expanding the **New Infill Homeownership Opportunities Program** (“NIHOP”). This includes increasing investment in new construction for LMI homeownership opportunities in parity with rental program subsidy amounts, expanding NIHOP-eligible projects to more than 14 units and encouraging homeownership development inclusion in larger scale RFPs.

To learn more, please visit coalitionforaffordablehomes.org



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