

THE BOND BUYER

NYC board approves \$1B of affordable housing bonds

By

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Following approval by its board of directors, the New York City Housing Development Corp. intends to issue up to \$1.1 billion of multi-family housing revenue bonds and provide roughly \$27 million of additional financing.

In total, it will fund the new construction and preservation of 5,182 affordable homes across 17 developments in the Bronx, Brooklyn, Queens, and Manhattan.

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Strategies, he said, include such new initiatives as Neighborhood Pillars and the Mitchell-Lama Reinvestment program, and leveraging new federal policies such as income averaging.

The board approved the bond package last Thursday.

The financing will enable the preservation of 3,160 homes across eight existing developments, including the Glendale, a 72-unit portfolio in Queens and the first Neighborhood Pillars project—a new program designed to finance the acquisition and rehabilitation of existing rent-regulated buildings to protect current tenants and stabilize communities.

The Neighborhood Pillars program, Enderlin said, exemplifies the city's efforts to support community-based nonprofit organizations as city officials look to implement the goals of the Housing New York 2.0 plan.

Half the projects approved in this latest round include a nonprofit organization or minority and women-owned business enterprise as part of the development team, such as the JOE Central Brooklyn project that the Joint Ownership Entity New York City will develop.

In addition, the authorized bond financing will result in the new construction of 2,022 affordable rental homes in nine developments.

Officials expect most of the construction developments to incorporate income averaging, a new federal low-income housing tax credit requirement passed in 2018 that promotes a greater diversity of household incomes in Low-Income Housing Tax Credit, or LIHTC-financed developments as long as the average of designated tiers of income equals 60% of area median income or less.

HDC is the nation's largest municipal housing finance agency. Since 2003, it has financed more than 150,000 housing units using more than \$21.2 billion of bonds and other debt obligations, and provided more than \$1.9 billion of subsidies from corporate reserves.

The corporation ranks among the nation's top issuers of mortgage revenue bonds for affordable multi-family housing on Thomson Reuters' annual list of those issuers.

In each of the last five years, HDC has issued more than \$1 billion in bonds.