

NYC HDC Annual Report 2021 – 50 Years of Financing Affordable Homes for New Yorkers

New York City Housing Development Corporation
Communications: Annual Report

HFA Staff Contact

Norman Garcia

ngarcia@nychdc.com

Innovative

The New York City Housing Development Corporation (HDC) celebrates its 50th anniversary with an online interactive Annual Report that contains elements of traditional narrative text, images, infographics, maps, as well as audio and video clips that guide the reader through HDC's five decades of financing affordable housing for New Yorkers. To achieve its broader sustainability goals, HDC has chosen to publish this and other recent annual reports online, thus reaching a larger swath of readership while supporting a greener planet.

The 2021 Annual Report entitled, *"50 years of Financing Affordable Homes for New Yorkers"*, begins with a historical and thematic graphic timeline menu that allows the viewer to easily navigate around the report and jump directly to their area(s) of interest.

Each decade is presented thematically, presenting HDC milestones in a clear and concise way that dovetails with the issues of that particular time period. Each section presents historical photos that can be expanded to fill the screen and reveal additional details, as well as a video overview of broader trends and milestones presented by a member of HDC's senior leadership.

The 2022 Annual Report tells the story of HDC's evolution from its initial founding during New York City's fiscal crisis in the 1970s in order to help finance the City's affordable workforce housing to becoming a powerful engine that has contributed to numerous notable pioneering financing methods -- from securing and leveraging multi-family bond recycling to the recent creation of the Housing Impact Bond Resolution to bring long overdue investment to New York City's public housing stock.

The featured sections are as follows:

- Introduction
- 1970s – Early Years
- 1980s – Time of Crisis and Opportunity
- 1990s – Period of Growth and Financial Innovation
- 2000s – Demonstration of Leadership
- 2010s – Bold Strides to Create a More Affordable & Sustainable City
- The 2020s – Rising to the Challenge and Expansion of HDC's Mission
- 2021 Annual Report – Our Progress

If the viewer advances chronologically, they will witness that many of HDC's growth moments coincide with local or national crises. The report details the innovation with which HDC met these challenges, creating new programs or financing techniques to serve the needs of the moment.

The audio recordings and NYCHA PACT informational video provide engaging testimonials describing the different accomplishments and programs HDC has helped make possible of over the last 50 years. Many of these testimonials are narrated by long-time employees who have firsthand experience with the policies or programs described.

Last but not least, this annual report was dedicated in memory of former First Executive Vice President & Chief Operating Officer Richard M. Froehlich who unexpectedly passed in 2021. For almost two

decades, Rich was a symbol of the best of HDC's thought leadership and creative problem-solving that led to so many of the Corporation's successes and innovations in affordable housing finance. So much of his imprint is captured in this Report and his legacy lives on through so many programs, policies, and people in the affordable housing industry.

Replicable

The planning methods used in this annual report are replicable in that they require a combination of historical research, documentation and photo gathering in addition to testimonials from long-time employees. Staff worked with the website design team at 3rd Edge, an MBE firm local to NYC that specializes in working with nonprofit and mission-driven organizations, to create a dynamic product on time and on budget that is not only educational but engaging to the audience. Other agencies could utilize this approach to tell their story, memorialize their history, and educate current and future generations about the evolution of housing finance in their municipality.

Engage Targeted Audiences

In developing its Annual Report, HDC's goal was to reach as many interested parties as possible and maximize accessibility through its digital platform. Through straightforward and intuitive navigation and design, the report presents information in a way that is easily accessible to current and prospective employees, students, affordable housing partners, academics, residents, and the general public.

Achieve Measurable Results

Since its launch on July 1, 2022, the 2021 HDC Annual Report site has been visited more than 6,800 times and has stood as an invaluable resource to students, researchers, prospective employees, current employees, and industry partners. Many of those who visited the site have stated that the report has been helpful in providing comprehensive overview on the history of HDC and affordable housing efforts in New York City.

Provide Benefits that Outweigh Costs

It was decided that our 2021 Annual Report should be presented in a digital format as opposed to a print format as this proved more cost-effective, more versatile, and would prove to have a lasting impact. Further, in our fast-paced, ever-changing industry, the creation of an online portal that stores an historical narrative and milestone achievements helps to ensure the invaluable preservation of our history. Interested users only need access to a browser and internet from anywhere in the world to educate themselves on many of the affordable housing challenges faced by New York City over the years as well as some of its best solutions.

Demonstrate Effective Use of Resources

With a limited budget, all content creation was managed in-house tapping into the knowledge of our team and existing HDC photo archives. Staff combed through public and in-house records, including HDC annual reports dating back to 1972, to gather meaningful context, documents, and photos for the creation of the report. We also tapped into the institutional knowledge of the senior leadership team to create educational audio testimonials to tell HDC's story. This approach resulted in a compelling interactive portal that presents a report on HDC's achievements in 2021, as well as a summation of its first 50 years, educating interested parties and serving as a memory bank for generations to come.

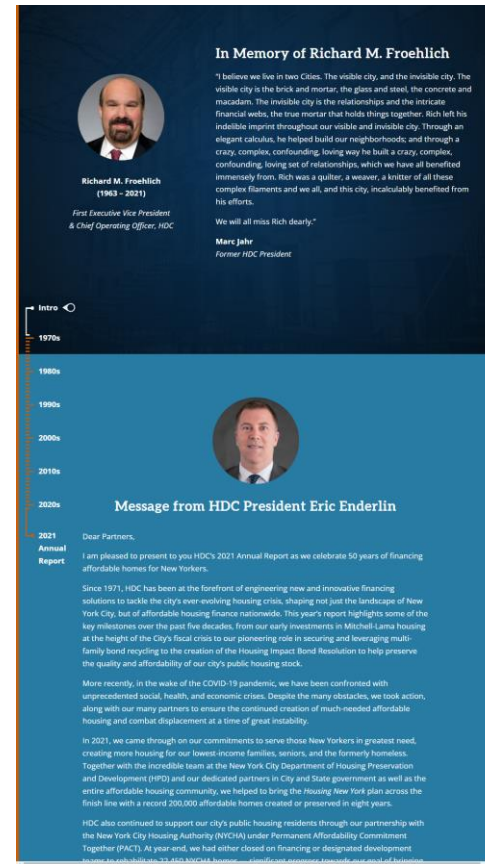
Achieve Strategic Objectives

Initial goals of this effort were to commemorate HDC's rich history, build awareness of HDC's role in the affordable housing industry of New York City, and promote our achievements over the decades and in 2021 to our partners and the public, while also providing a resource HDC employees can reflect on and be proud of in an aim to foster morale. We also sought to educate the public and current and future public servants on what can be achieved through creativity and innovation even in the most challenging of times. Based on positive direct feedback of our employees, stakeholders, and prospective employees, as well as by the number of visits our interactive portal has received, we feel that we have accomplished our intended goals.

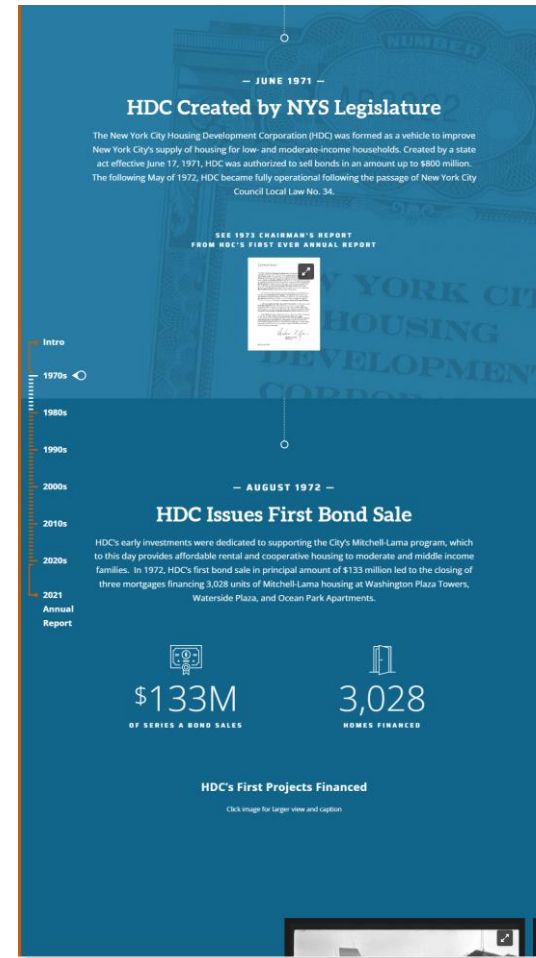
New York City Housing Development Corporation (HDC)
50 Years of Financing Affordable Homes for New Yorkers
Communications / Annual Report

2021 Annual Report Link to Interactive Portal: https://2021annual.nychdc.com/#intro-message_part-1

Introduction



1970s – Early Years



HDC's First Projects Financed

Click image for larger view and caption

Intro

1970s

1980s

1990s

2000s

2010s

2020s

2021
Annual
Report



Intro

1970s

1980s

1990s

2000s

2010s

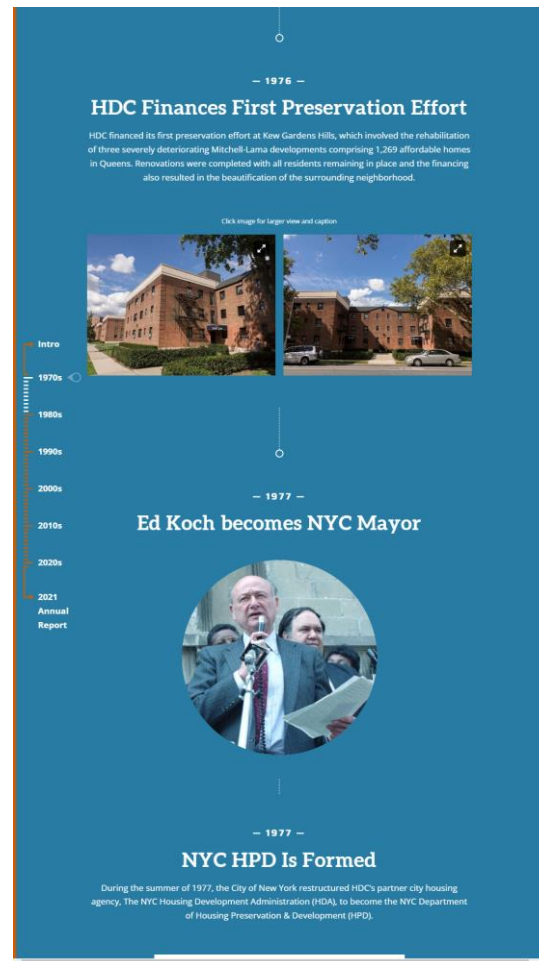
2020s

2021 Annual Report

— 1975 —

NYC on Brink of Bankruptcy

At the height of a dire fiscal and political crisis, the City of New York was effectively shut out from the credit markets and unable to borrow funds needed to avoid bankruptcy. Nonetheless, HDC's positioning remained sound and the Corporation was able to continue to support the city's affordable housing needs despite difficult market conditions.



Intro

1970s

1980s

1990s

2000s

2010s

2020s


2021 Annual Report

— 1976 —

HDC Finances First Preservation Effort


HDC financed its first preservation effort at Kew Gardens Hills, which involved the rehabilitation of three severely deteriorating Mitchell-Lama developments comprising 1,269 affordable homes in Queens. Renovations were completed with all residents remaining in place and the financing also resulted in the beautification of the surrounding neighborhood.

Click image for larger view and caption



— 1977 —

Ed Koch becomes NYC Mayor

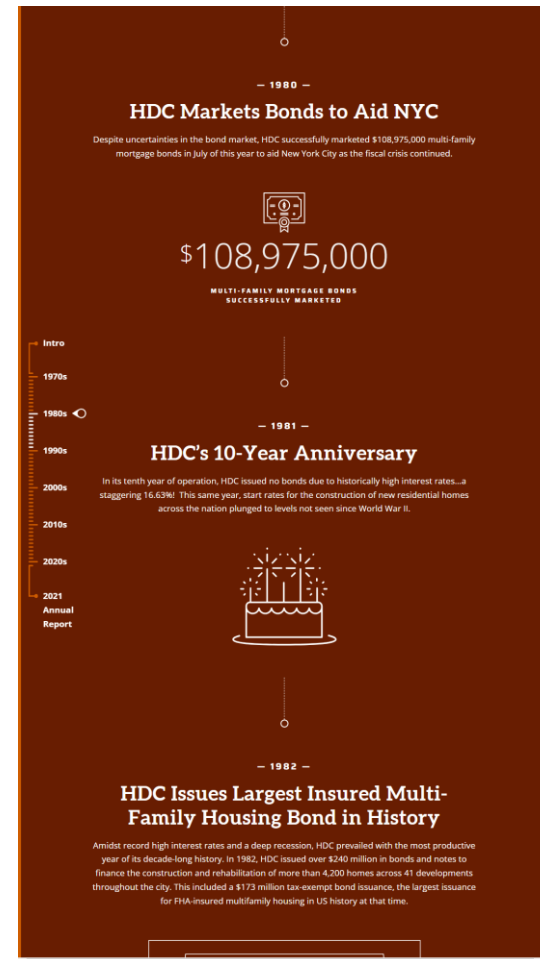
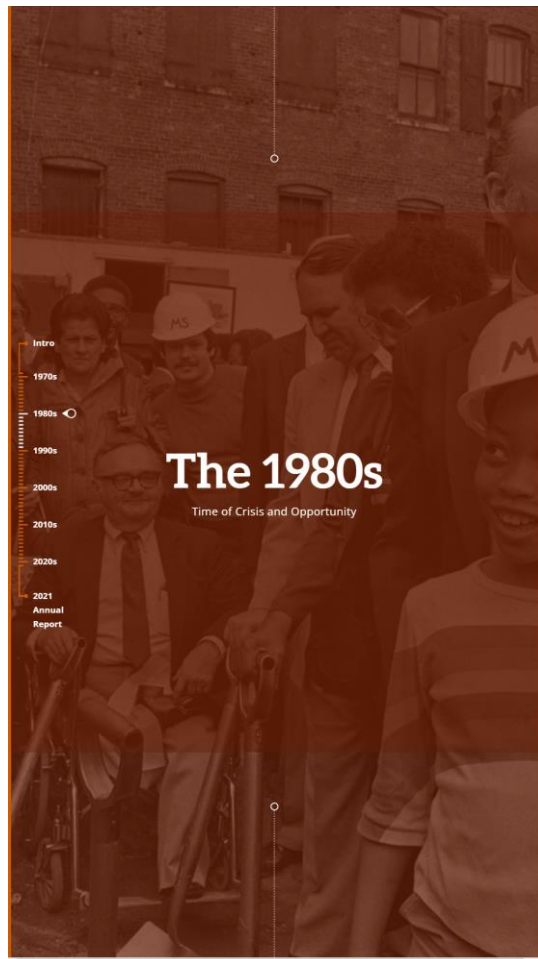


— 1977 —

NYC HPD Is Formed

During the summer of 1977, the City of New York restructured HDC's partner city housing agency, The NYC Housing Development Administration (HDA) to become the NYC Department of Housing Preservation & Development (HPD).

1980s – Time of Crisis and Opportunity




New York City Housing Development Corporation (HDC) 50 Years of Financing Affordable Homes for New Yorkers Communications / Annual Report

— 1986 —

Congress Passes Tax Reform Act

The federal Tax Reform Act of 1986 significantly hindered multi-family residential development as New York City faced a growing housing crisis. At the same time, the Act created the low income housing tax credit (LIHTC), which would become a critical resource for the development of affordable housing across the nation.

Click image for larger view and caption




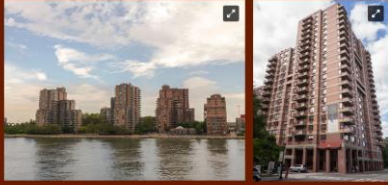
Intro
1970s
1980s
1990s
2000s
2010s
2020s
2021 Annual Report

— 1987 —

HDC Closes First LIHTC Project

With financing gaps resulting from recent federal tax reform and escalating costs, construction on many multifamily residential projects like Northtown Phase II ground to a halt. HDC responded with its first federally taxable bond issuance and an allocation of low income housing tax credits to recover lost tax incentives in order to bring this 1,107-unit mixed-income development across the finish line.


Click image for larger view and caption



Intro
1970s
1980s
1990s
2000s
2010s
2020s
2021 Annual Report

— AUDIO —

Eric Enderlin talks about the birth of LIHTC and its ongoing impact



LISTEN ▶ 01:55 🔊 🔍

“
HDC has a strong track record of utilizing the LIHTC program in order to support the City's efforts to create more affordable housing. New York City has become a model of success for this critical federal tool.
”

ERIC ENDERLIN, HDC PRESIDENT

1990s – Period of Growth and Financial Innovation



— 1993 —

HDC Recognized by Standard & Poor's

HDC was recognized with "Top Tier" status by Standard & Poor's Corporation, becoming the first local housing finance agency in the country to achieve an investment grade credit rating on its obligations (AA from Standard & Poo's).

— 1993 —

HDC Adopts Its Open Resolution

In 1993, HDC adopted its Multi-Family Housing Revenue Bond Resolution (Open Resolution), which today is HDC's largest single asset. The Open Resolution is the Corporation's primary finance program and permits the issuance of an unlimited amount of parity debt. The strength of the Open Resolution lies in its solid financial growth and over-collateralization to provide flexible and cost-effective low-cost capital that can be used to finance the development of affordable housing and efficiently respond to changing realities of the markets.

Intro

1970s

1980s

1990s

2000s







2010s

2020s

2021 Annual Report

Open Resolution By the Numbers

AS OF OCTOBER 31, 2021

 \$20.5B <small>OF BONDS ISSUED</small>	 \$10B <small>OF BONDS OUTSTANDING</small>
 \$13.9B <small>IN ASSETS</small>	 99% <small>MEDIAN PROJECT OCCUPANCY</small>
 132k+ <small>AFFORDABLE HOMES CREATED OR PRESERVED</small>	 <small>ACROSS</small> 570 <small>DEVELOPMENTS</small>

2000s – Demonstration of Leadership

— 1994 —

NYC REMIC Completes First Full Year of Operations

This year marks the first full year of operations for the NYC REMIC after the NYS Legislature authorized the creation of the "New REMIC" to become incorporated as an HDC subsidiary - in that year REMIC committed to insure 18 mortgages comprising 518 homes.

— AUDIO —

Terry Gigliello talks about the role of REMIC

LISTEN ▶ 01:34 ◀ ▶ 🔊

“

Thanks to the credit enhancement provided by REMIC, certain projects in our pipeline have been able to advance that otherwise would not be feasible - providing an important layer of versatility to HDC's ability to nurture the development of diverse and affordable neighborhoods.

”

TERRY GIGIELLO, HDC EXECUTIVE VICE PRESIDENT FOR ASSET MANAGEMENT & EXP. REMIC

Intro

1970s

1980s

1990s

2000s

2010s

2020s

2021 Annual Report

The 2000s

Demonstration of Leadership

Intro

1970s

1980s

1990s

2000s

2010s

2020s

2021 Annual Report

— 2002 —

HDC Launches Liberty Bond Program to Aid in the Recovery of Lower Manhattan

Following 9/11, the United States Congress provided New York City with authority of \$800 million of tax-exempt Liberty Bonds to support the redevelopment and revitalization of Lower Manhattan - a neighborhood HDC's headquarters have long called home. The following year, HDC launched its Liberty Bond program with the deployment of \$245 million in bonds to finance the new construction and office conversions of two developments in lower Manhattan that would result in 1,048 units of multi-family housing. At the same time, HDC would generate origination funds through this program to be allocated to affordable housing developments across the city.

Click image for larger view and caption

Intro
 1970s
 1980s
 1990s
 2000s ◀
 2010s
 2020s
 2021 Annual Report

— 2009 —

— 2009 —

HDC Pioneers Use of Recycled Bond Cap at St. Ann's Terrace

HDC was the first Housing Finance Agency in the nation to deploy recycled bonds with the 2009 financing of St. Ann's Terrace in the Melrose neighborhood of The Bronx. This transformative mixed-use project includes 8 buildings spanning three acres and includes 640 affordable rental apartments, with 95 homes dedicated to formerly homeless households.

Click image for larger view and caption

Intro
 1970s
 1980s
 1990s
 2000s ◀
 2010s
 2020s
 2021 Annual Report

— AUDIO —

Ellen Duffy Discusses HDC's Innovative Bond Recycling Initiative

LISTEN ▶ — 02:06 🔊

“

HDC is always seeking to make the most efficient use of the limited resources we have in order to maximize public benefit. Recycling allows us to efficiently deploy and preserve volume cap and, in turn, we are able to generate more affordable housing for low-income individuals and families.

ELLEN DUFFY, HDC EXECUTIVE VICE PRESIDENT FOR DEBT ISSUANCE & FINANCE

”


2010s – Bold Strides to Create a More Affordable & Sustainable City




— 2013 —

NYC Housing Connect is Launched Online!


NYC Housing Connect is launched, allowing the public to search for affordable housing opportunities and submit applications to new housing lotteries online for the first time. Later in 2020, Housing Connect was overhauled to streamline the application process, making the system quicker, easier to use, and more accessible to New Yorkers in need of housing.





The affordable housing lottery has come a long way thanks to the transformational launch of Housing Connect. Pictured here, is Governor Cuomo and Mayor Koch at the selection of housing lottery applicants in 1983.

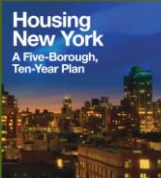
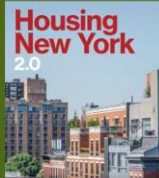
Intro
1970s
1980s
1990s
2000s
2010s
2020s
2021 Annual Report



— 2014 —


Mayor de Blasio introduces Housing New York Plan

In May of 2014, the de Blasio Administration introduced the Housing New York plan, with an initial goal to produce 200,000 units of affordable housing over 8 years. Later in 2017, this goal was expanded to 300,000 homes by 2025 under Housing New York 2.0.

— AUDIO —

Ruth Moreira talks about creating a more affordable city through the Housing New York plan



LISTEN ▶ 01:46 🔊


“

The success of the Housing New York plan would not have been possible without extensive collaboration across the public and private sectors. Together with our partners, we made incredible strides towards combating our city's housing crisis, transforming our neighborhoods for the better, and providing greater opportunity to low-income New Yorkers.

RUTH MOREIRA, HDC ACTING FIRST EXECUTIVE VICE PRESIDENT

”

Intro
1970s
1980s
1990s
2000s
2010s
2020s
2021 Annual Report





— 2015 —

HDC Introduces Sustainable Neighborhood Bonds

HDC introduces Sustainable Neighborhood Bonds, the first social investment bonds for the creation of affordable housing in the United States. Later, in 2019, this category would be transformed to Sustainable Development Bonds to align with the latest green and social bond market standards.

Early Sustainable Neighborhood Bond Developments

Click image for larger view and caption

The 2020s – Rising to the Challenge and Expansion of HDC’s Mission



— 2020 —

HDC Launches the Housing Impact Bond Resolution

HDC launched the Housing Impact Bond Resolution to support the expansion of its mission to finance the critical rehabilitation and preservation of our city's public housing stock under NYCHA PACT (Permanent Affordability Commitment Together). HDC is partnering with NYCHA through PACT to ensure critical improvements and protections for our city's public housing residents including:

- ✓ Comprehensive Building Repairs & Apartment Renovations
- ✓ Enhanced Property Management & Social Services
- ✓ Guaranteed Tenant Protections
- ✓ Permanent Affordability

Intro

1970s

1980s

1990s

2000s

2010s

2020s

2021

Annual

Report



— 2020 —

Covid-19 Pandemic Underscores the Need for Safe and Affordable Housing

New Yorkers came together like never before to navigate the health and economic impacts resulting from the global COVID-19 pandemic. As the pandemic took its toll, our lowest income communities were among the hardest hit, underscoring the importance of safe and affordable housing. Despite many challenges of the moment, HDC joined our partners in pushing forward an ambitious affordable housing pipeline that would help provide housing stability at a time it was needed more than ever.




2021 Annual Report – Our Progress

2021 Annual Report

OUR PROGRESS

— AUDIO —

Susannah Lipsyte talks about the challenges and successes of the past year



LISTEN ▶ 02:44 🔊

“

HDC stepped up to support the city through this unprecedented time in our history, and we continued to work diligently throughout 2021 to ensure more New Yorkers are able to live in a safe and affordable home at a time of great need.

SUSANNAH LIPSYTE, HDC EXECUTIVE VICE PRESIDENT & GENERAL COUNSEL

”

Closings - Our Progress

Closings - Our Progress



Closings - Featured Projects

- Intro
- 1970s
- 1980s
- 1990s
- 2000s
- 2010s
- 2020s
- 2021 Annual Report

Atrium at Sumner <small>BEDFORD-STUYVESANT, BROOKLYN</small>	+
The Eliza <small>INWOOD, MANHATTAN</small>	+
Gouverneur Gardens <small>LOWER EAST SIDE, MANHATTAN</small>	+
Greenpoint Landing H1H2 <small>GREENPOINT, BROOKLYN</small>	+
Rockaway Village Phase IV <small>FAR ROCKAWAY, QUEENS</small>	+

Ribbon Cuttings - Featured Projects

1490 Southern Blvd <small>CROTONA PARK EAST, THE BRONX</small>	+
Hunters Point South - North & South Towers <small>LONG ISLAND CITY, QUEENS</small>	+
La Central <small>MELROSE, THE BRONX</small>	+
Park Haven <small>MOTT HAVEN, THE BRONX</small>	+
Van Dyke III <small>BROWNSVILLE, BROOKLYN</small>	+

PACT Progress

In 2021, HDC closed 3 new NYCHA PACT transactions benefiting 5,200 households across 6 NYCHA campuses in Brooklyn:



- Intro
- 1970s
- 1980s
- 1990s
- 2000s
- 2010s
- 2020s
- 2021 Annual Report

Baychester and Murphy Houses

Comprehensive renovations were completed this year on HDC's first PACT transaction, benefiting more than 720 households in The Bronx. The residents of Baychester and Murphy Houses received extensive apartment renovations, critical infrastructure improvements, and an array of onsite social services provided by BronxWorks.



Baychester Murphy Exterior

— AUDIO —

Cathleen Baumann extends thanks to our partners on behalf of everyone at HDC



LISTEN 01:49

- Intro
- 1970s
- 1980s
- 1990s
- 2000s
- 2010s
- 2020s
- 2021 Annual Report

“
This is a turning point in our city's history, and a fitting time to reflect on more than five decades of leadership in strengthening the health and affordability of our city and improving the lives of our fellow New Yorkers.
”
CATHLEEN BAUMANN, HDC EXECUTIVE VICE PRESIDENT & TREASURER

2021 Annual Report



Our People

[READ MORE](#)



Projects & Loans

[DOWNLOAD](#)



Financial Statements

[DOWNLOAD](#)

