

Background Briefing  
Department of Housing Preservation & Development

# Overview of Agency Strategic Plan

March 2005

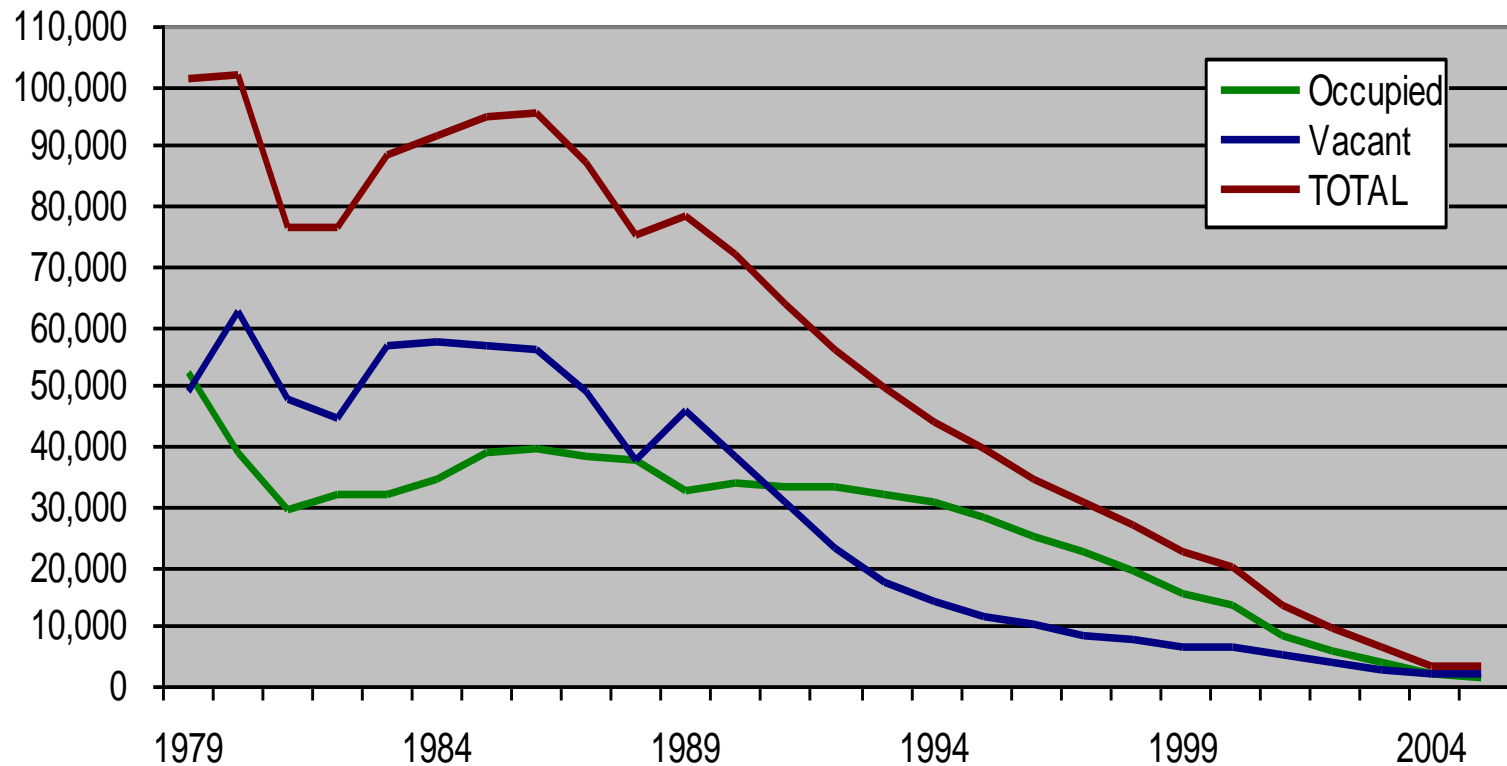
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- Build future pipeline for affordable housing development
- Improve housing quality in remaining areas with poor conditions
- Create a new focus on customer service
- Increase focus on staff development

# Build future pipeline for affordable housing development

*In Rem* stock has declined from over 100,000 units to 3,400.

**Number of Units in *In Rem* Stock in New York City, 1979- January 2005**

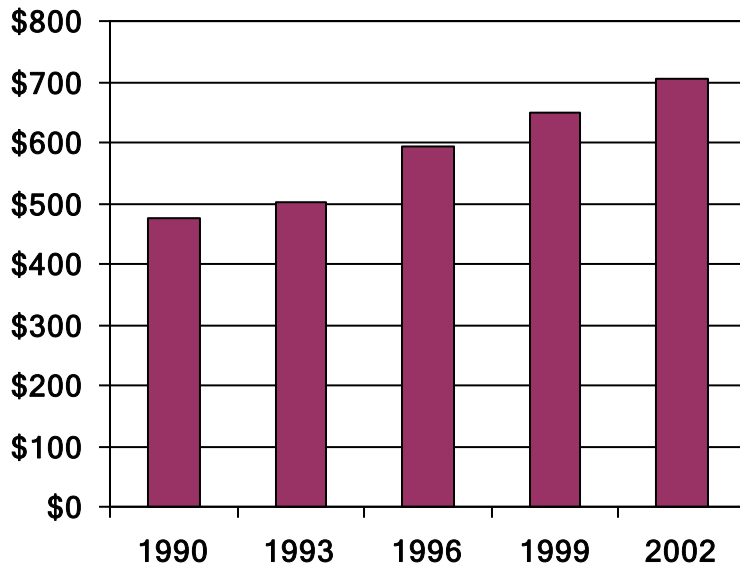


Source: HPD Production Credit System

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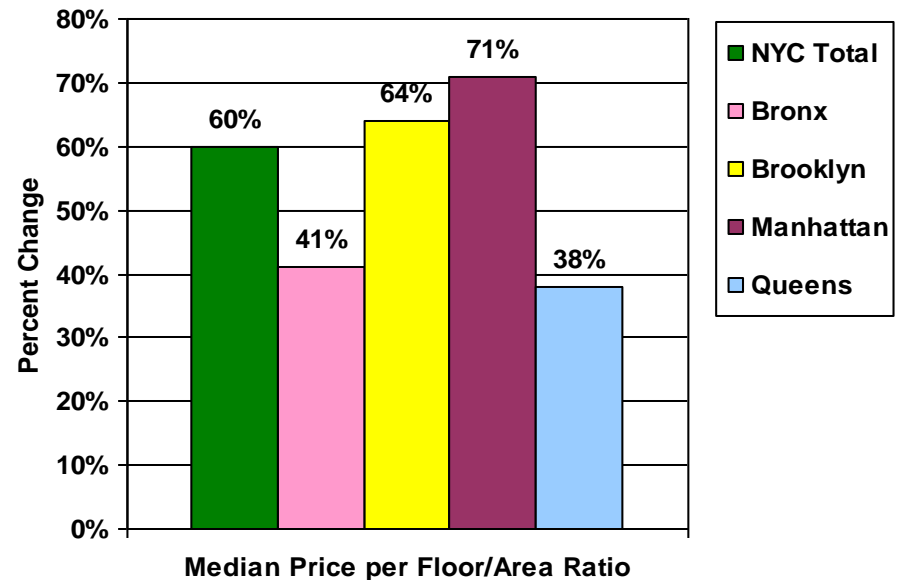
Rising rents and sales prices have made acquisition more difficult.

**Median Monthly Contract Rent, New York City, 1990-2002\***



Source: NYC Housing & Vacancy Survey  
\*The 2002 HVS numbers may not be directly comparable to previous years because of sampling differences.

**Annualized Change in Vacant Land Prices, 1999 to 2004**

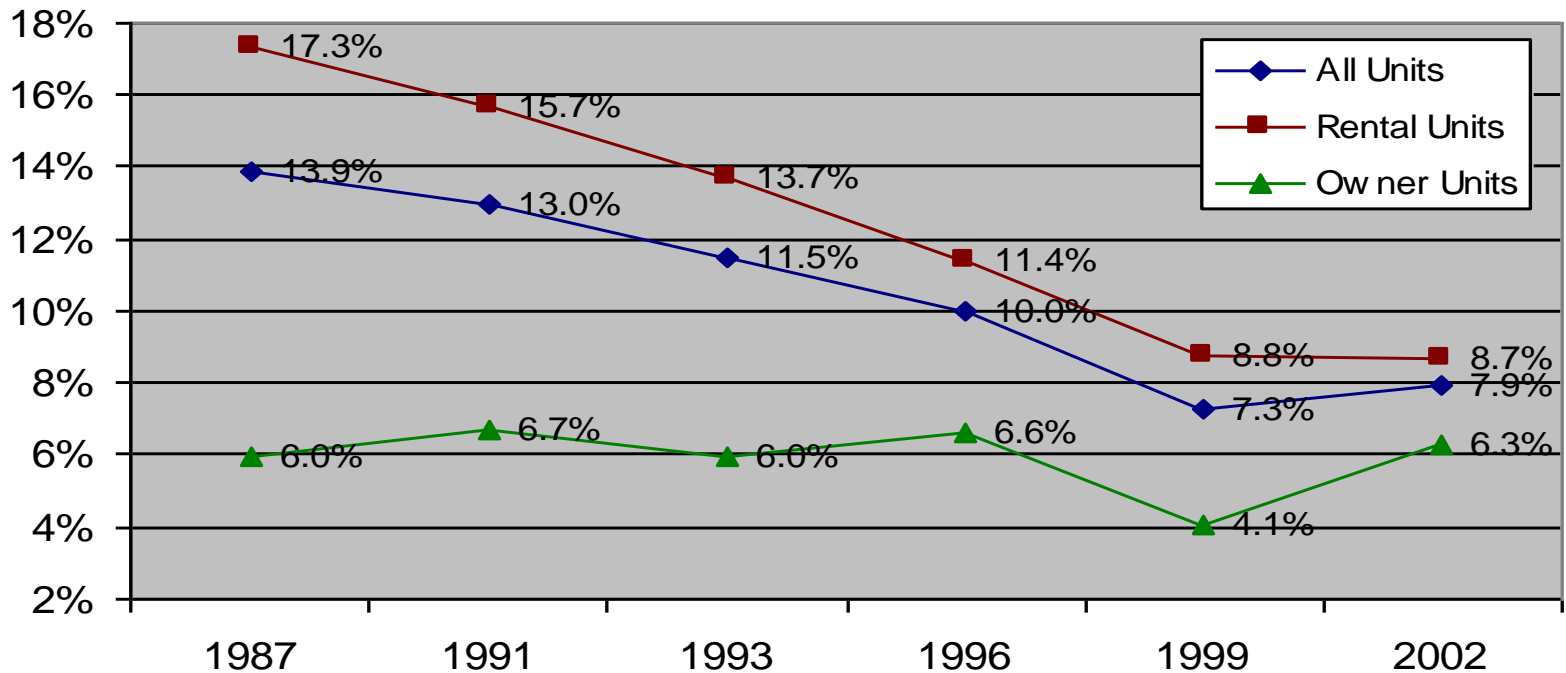


Source: NYU Furman Center for Real Estate and Urban Policy; NYC Department of Citywide Administrative Services

## Improve housing quality in remaining areas with poor conditions

Housing conditions have improved dramatically...

**Percent of Residential Units on Same Street as a Building with Broken/Boarded-Up Windows, in New York City, Selected Years 1991-2002\***



Source: NYC Housing & Vacancy Survey

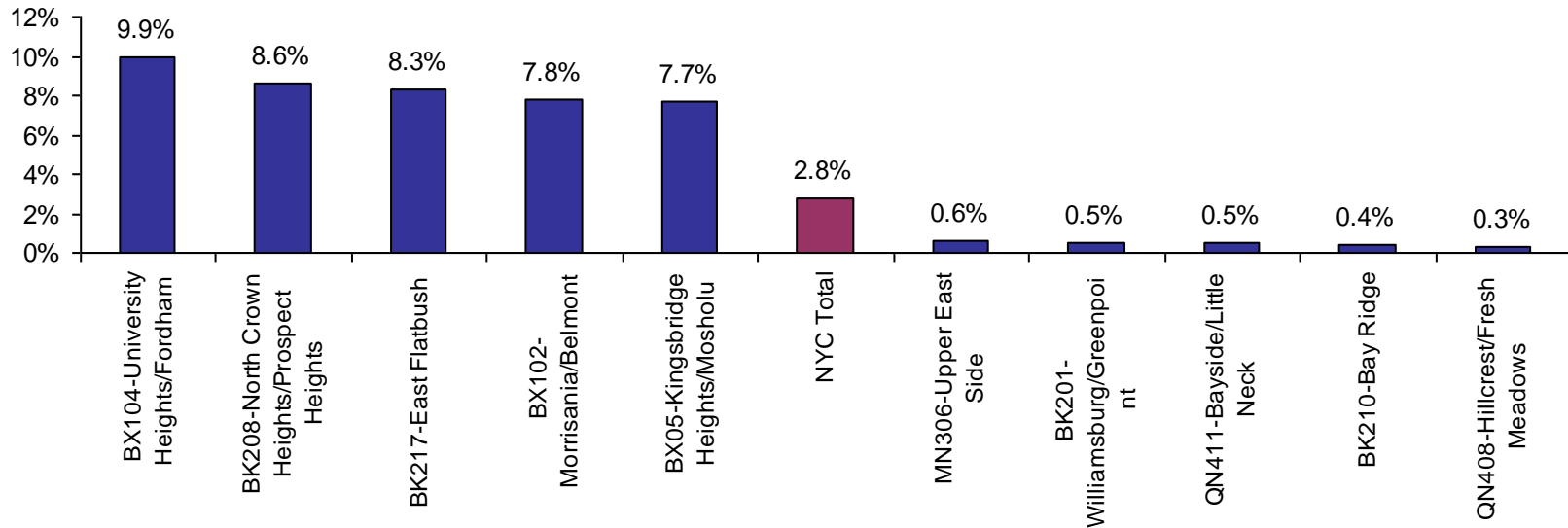
\*The 2002 increase may be attributable to HVS sampling differences between 2002 and previous years, and therefore may not reflect the actual trend.

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## Improve housing quality in remaining areas with poor conditions

... but remain troubling in certain neighborhoods.

**Percent of Units with Five or More Maintenance Deficiencies, 2002  
The Top 5 and Lowest 5 Sub-borough Areas in NYC**



Source: NYC Housing and Vacancy Survey 2002

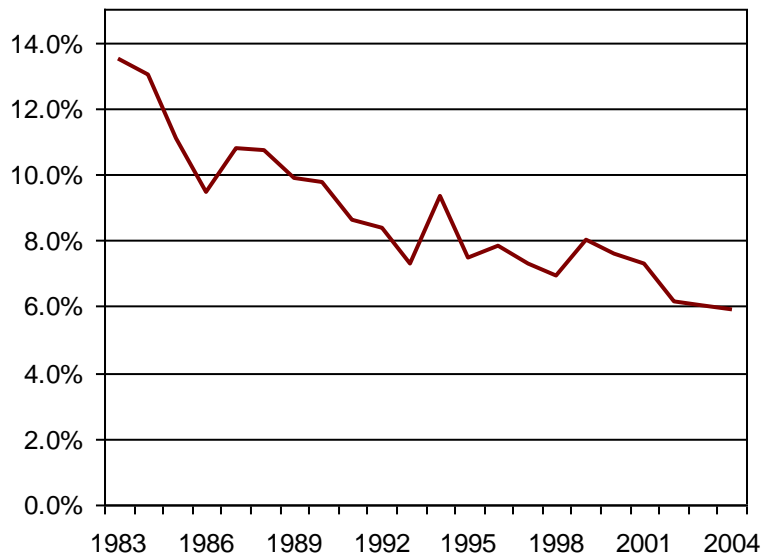
*Targeted areas and owners must be reached with new or enhanced tools*

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## Improve housing quality in remaining areas with poor conditions

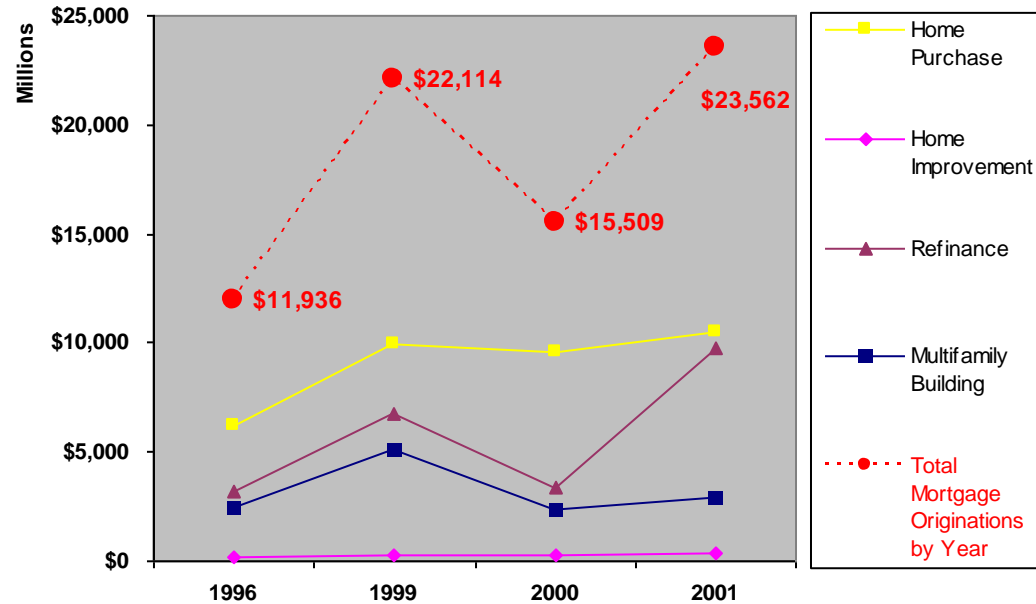
Low interest rates and high rents provide increased capital for rehabilitation.

**Annual Average Mortgage Rates  
(30-Year Fixed Rate), U.S., 1992-2004**



Source: Federal Reserve

**Total Amount of Mortgage Loan Originations,  
New York City, 1996-2001**



Source: HMDA

**According to the American Housing Survey, median Loan-to-Value ratio in New York MSA increased from 42.3% in 1995 to 47.0% in 1999.**

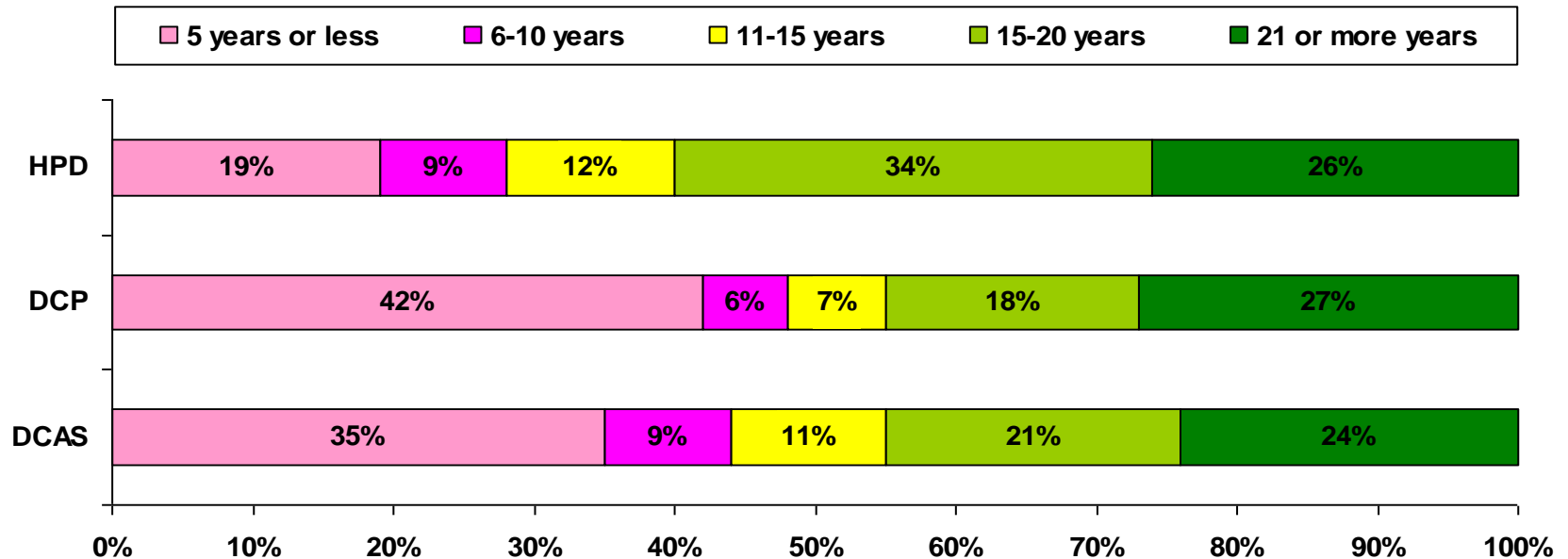
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- HPD must now “compete” with market rate developers for private sites to become affordable housing
- Owners have many new options for loans or other products
- New marketplace requires improved internal and external communication and coordination

## Increase focus on staff development

- Increasing share of HPD staff reaching eligibility for retirement
- Increasing job mobility means agency must improve recruiting and retention

**Years of Service at HPD, DCP, and DCAS for Full-Time Employees**



Source: HPD Administration Division & NYC Office of Payroll Administration

*New challenges and technology require new skills and training*

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## Build future pipeline for affordable housing development

- Implement the *New Housing Marketplace* plan
  - Enhance and expand residential planning
    - Increase the pipeline of property available for affordable development
    - Promote large scale residential planning
  - Increase affordable housing production
    - Ensure availability of budget and other resources
    - Reform Housing Construction and Regulation
  - Expand homeownership opportunities
    - Complete large scale homeownership developments
    - Create and develop homeownership initiatives
  - Create supportive and other special needs housing
    - Implement strategy of 5-year plan to end chronic homelessness

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## Improve housing quality in remaining areas with poor conditions

- Improve housing code and other enforcement
  - Respond to poor housing conditions in a pro-active manner
  - Make enforcement litigation more effective
  - Use technology to increase code enforcement productivity and accuracy
  - Implement Lead Legislation
- Preserve affordable housing
  - Assess and develop new rehabilitation loans or other tools
  - Improve and accelerate disposition of remaining City-owned inventory
  - Develop and implement comprehensive expiring-use housing strategy
  - Partner with HUD to revitalize troubled FHA properties
- Ensure HPD policies and programs support neighborhood development
  - Identify target neighborhoods and assess needs and opportunities
  - Solicit input from property owners, tenants, elected officials and community organizations in planning process
  - Coordinate HPD and other agency neighborhood plans and investments

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## Create a new focus on customer service

- Prioritize customer service through training, staff development and information sharing
  - Develop and refine systems for ongoing customer service assessment
  - Equip frontline staff and supervisors with adequate training and information
  - Emphasize and reward exceptional customer service
  - Create feedback tools for internal support functions to ensure focus on agency needs
- Proactively market HPD products and services to external customers
  - Coordinate marketing materials, and rationalize distribution channels
  - Increase outreach to community groups, elected officials and policy makers
  - Expand services to non-English speaking customers
- Improve customer service through use of new and existing technology
  - Expand and improve 311 content and direction of customer inquiries
  - Evaluate use of more sophisticated telephone technology
  - Utilize internet and intranet to automate internal and external business processes

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## Increase focus on staff development

- Increase training programs offered to staff
  - Assess current training needs, opportunities and gaps
  - Improve accessibility of current training and counseling
  - Expand training opportunities, including external resources
- Improve recruitment process
  - Improve and coordinate external recruiting efforts
  - Provide better information and counseling about internal opportunities
- Retain valuable staff
  - Assess attrition and retention patterns, including cost/benefit analysis of retention
  - Target retention efforts towards areas of agency where need is greatest
  - Offer opportunities for career development, including scholarships and cross training
- Provide better performance feedback
  - Implement improved performance evaluation system
  - Enhance informal performance feedback
- Improve employees' work environment

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## Improve Agency Operations and Structure

- Make key promotions, hires and organizational changes
  - Enhance Strategic Planning function, including policy analysis and development
  - Improve structure of Development functions and workflow over course of fiscal year
  - Strengthen analytic capacity throughout the agency
  - Improve Section 8 program assessment, management and innovation
  - Consolidate and improve asset management and servicing
- Improve agency technology
  - Provide adequate computer and email access to all employees
  - Ensure staff are trained to utilize available technology
  - Continue automation of key agency functions
  - Build on HPDInfo to create unified, reliable and accessible agency-wide data source
  - Expand use of document imaging
  - Evaluate emerging technologies on an ongoing basis
  - Eliminate remaining Wang-based applications
- Other improvements
  - Review and update key procedures for administrative, budget and other functions
  - Stabilize and coordinate emergency shelter operations
  - Improve HPD procurement and contracting systems

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