

## Housing Subsidy Reform - 1-Page Summary

### Proposal Title:

Tenant Co-op Acquisition Program (TCAP): A Public Equity Transfer Framework for NYC

### Policy Objective:

To restructure NYC's rental subsidy system into an equity-building model by converting distressed, publicly subsidized rental housing into tenant-owned cooperatives, without introducing new public spending.

### Key Strategy:

Redirect existing subsidies (e.g., Section 8, CityFHEPS) into down payments, repair reserves, and HOA stabilization funds. Target buildings with high HPD violations, housing court involvement, and subsidy saturation.

### Implementation Model:

Tenants in eligible buildings are granted the legal right of first refusal. With HPD coordination and legal support, tenants form limited-equity co-ops financed through redirected subsidies and community credit unions.

### Projected Impact (10-Year):

- \$350M+ in public cost savings
- \$2.4M household wealth created per \$1M public investment
- 30% eviction reduction in converted buildings
- 60% drop in legal/housing court expenditures in target zones

### Legislative Tools:

- NYC Tenant First Option on Sale (TFOS) Ordinance
- State-level amendments mirroring D.C.'s TOPA
- HUD waiver for cooperative voucher eligibility

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