



MEMORANDUM

To: The Chairperson and Members

From: Eric Enderlin, President 

Date: March 20, 2026

Re: Approval to Fund Contract Services for Insurance Risk Consultant

I am pleased to recommend that the Members approve funding in an amount not expected to exceed \$350,000 to contract with an independent risk consultant to support efforts to reduce and stabilize insurance costs for affordable housing.

Background

Insurance costs for affordable housing have increased materially in recent years. Since 2018, insurance costs have increased by an estimated compound annual growth rate of 17%. According to HDC estimates, average per-dwelling unit premiums have increased from \$600 per year in 2018 to \$1,900 per year in 2025. Insurance represents 30% of cumulative operating expense increases since 2018.

To address this persistent challenge, the Corporation is partnering with New York City Economic Development Corporation (NYCEDC) and the New York City Department of Housing Preservation and Development (HPD) to explore potential solutions to lower and stabilize insurance premiums for affordable housing and enhance coverage availability.

Given the complexity of the issue and the absence of in-house actuarial underwriting capacity, the Corporation seeks to contract with an independent risk consultant to serve as the City's technical advisor in analyzing key structural factors and assessing potential solutions. The consultant would also conduct a feasibility study that will be critical in establishing a programmatic response that is both actuarially sound and meets the City's policy goals.

Subject to the Members' approval, the Corporation will procure an independent risk consultant through a competitive process, with the intent that the consultant supports the Corporation and its City-agency partners for approximately 12 months.

Action by Members

The Members are requested to approve the use of up to \$350,000 to fund contract services for an independent risk consultant and the execution by an Authorized Officer of the Corporation to take all actions and execute any documents necessary to carry out such funding and procurement, including any interagency memorandum of understanding as needed.