



**New York City Council
Committee on Housing & Buildings**

Legislative Hearing

THURSDAY, FEBRUARY 23RD, 2023

Oversight - Social Housing

[Int. 196-2022](#) (Rivera)- A Local Law to amend the administrative code of the city of New York, in relation to giving qualified entities a first opportunity to purchase and an opportunity to submit an offer to purchase certain residential buildings when offered for sale

[Int. 637-2022](#) (Restler) - A Local Law to amend the New York city charter, in relation to the disposition of real property of the city

[Int. 714-2022](#) (Brewer) - A Local Law to amend the administrative code of the city of New York, in relation to creating a land bank

[Int. 932-2023](#) (Nurse) - A Local Law in relation to a study on the feasibility of establishing a social housing agency and the repeal of this local law upon the expiration thereof

Opening Remarks

Councilmember Pierina Sanchez, Housing and Buildings Committee Chair

- More housing is needed to serve all income levels but it is the lowest income New Yorkers who are suffering the most
- Social housing refers to housing for the social good that is permanently and deeply affordable, removed from speculation that can be democratically governed
- Without stabilizing families in their home, the City isn't moving the needle

Public Advocate Jumaanee Williams

- For years, NY has trailed in homeownership rates
- Production and preservation of social housing is instrumental to keep people inside homes

Councilmember Lincoln Restler

- Nonprofit developers and community land trusts should be prioritized to redevelop land; they are more likely to build housing for persons at the lowest income levels

Councilmember Gale Brewer

- A land bank with good governance, transparency, and one that follows the law can generate a wide range of housing for NY's populace.

Remarks from the Administration

Kim Darga, Deputy Commissioner of Development, HPD

Lucy Joffe, Assistant Commissioner of Policy, HPD

- HPD has financed over 1200 units of affordable housing on CLTs; city is identifying additional sites to transfer to CLTs
 - Many of these units will be developed on public sites
- Require that everyone maintains buildings regardless of for-profit or non-profit status
- Works to support nonprofits so they can build more affordable housing through NY acquisition fund and through a coalition of philanthropic partners
- Committed to providing technical assistance for additional transfer to CLTs
- Int.196- HPD believes is broad and could undermine goal of building mission driven housing; could slow the housing market and negatively impact small property owners - would slow market of sales for buildings with 3 or more units
- Int. 637- there are resources to expand nonprofit partners; concerned that limiting range of tools runs counter to other policy goals (expanding opportunities for MWBEs and building more housing)
- Int. 714- would add additional complexity to the current acquisition of property
- Int. 932- HPD already actively doing this; having another agency do this work would create another silo

Chair Pierina Sanchez

Q: Can you describe what percentage of HPD projects are going to profits vs. nonprofits?

A: Today, a small percentage of HPD's work is on public sites. Most projects are on private land. A lot of the projects HPD finance there might be a partnership between a myriad of organizations. Historically, HPD doesn't track where MWBEs are in the organizational chart. In public sites, some of that information has been tracked.

Q: Can you share at their height how many cooperatives and Mitchell-Llama's existed in NYC?

A: HPD agreed to provide specific numbers from 20-30 years ago at a later date; 1200 HDFC's currently in NYC. There are 85 Mitchell-Lama's in the city and state that provide around 60,000 units.

Councilmember Gale Brewer

Q: Why does HPD cover everything that a land bank would cover?

A: NYC has resources and programs to support acquisition. The resources include NYC acquisition fund and can create affordable housing. "The nice thing about the way we do business is a potential purchaser looks at it from a feasibility perspective" and if they believe it's possible then they apply for financing and they come to HPD for a soft commitment,

A: Concern with land bank - at point of acquisition putting the land bank as a city entity changes ability to negotiate reasonable acquisition price

Councilmember Lincoln Restler

- Restler criticized the term sheets and non-profit involvement in the disposition process and stated that although nonprofits may be involved in the construction of affordable housing, they may not be driving the housing forward

A: HPD: The projects that we have today go through a disposition process. HPD is required to provide housing for those who are low-income, aging, etc regardless of what developer responds. HPD stressed that term sheets and rules have changed since the 1st term of the de Blasio administration.

Councilmember Sandy Nurse

Q: Why do you think a social housing agency would duplicate HPD's efforts?

A: Having a separate agency wouldn't make HPD more nimble. HPD's believes it would overly complicate efforts to expand housing

Q: How are you looking at what other cities have implemented in terms of COPA and TOPA?

A: HPD feels risks are larger than goals.

Chair Pierina Sanchez

Q:What is the issue with COPA?

A:The current bill is quite broad. There are concerns for the small business owner

Q:What is the amount of capital subsidy earmarked for CLTs?

A:There's a capital budget for the creation and preservation of affordable housing. This information is accessible on HPD's website, and CLTs can apply for funding if they are looking to acquire a site. HPD then evaluates the site. Some CLTs have been financed - about \$380 million in the last several years

Q:Where are the vast majority of vacant lots in NYC?

A: 810 parcels- Vast majority are in Harlem, Central Brooklyn, The Rockaways, etc. Many of the sites have been under city ownership for over a decade

Q:What are your thoughts on COPA/TOPA?

A:Administration didn't explicitly say it supports; supports expanding homeownership options for tenants; look forward to having discussions with state partners

Public Testimony

Comptroller Lander Testimony

- Lack of affordable housing threatens NYC's economy
- Supports increase of housing supply; must remove barriers to development
- City Council Legislation would lay the groundwork for an expansion of social housing
- Int. 637- Nonprofit development ensures permanent affordability and increases community input and control
- Int. 196- COPA- "lowest bar to encourage social housing"
- In order to provide stability and affordability to a broad swath of New Yorkers we must also create a new multifamily shared equity homeownership program.
- "By treating housing as a public good rather than as a vehicle for profit, we can ensure that all New Yorkers have a home they can afford."

Q:What are some actions, policies, and programs the administration can adapt to support CLTs and future coops?

Lander: Neighborhood Pillars program; increasing resources to the pillars program with a shared equity model

Additional Panelists

Metro Atlanta Land Bank, New Economy Project, Genesis, New York Real Estate Chamber, East Harlem/El Barrio Community Land Trust, Western Queens CLT, etc

Question to Metro Atlanta Land Bank:

What do you recommend is the best way to be nimble and do this work? How does Philadelphia and Atlanta do it?

Metro Atlanta Land Bank: It's important to define area of focus. There's a hyperfocus on affordable housing and single/multi-family housing in those cities.

Metro Atlanta Land Bank: Supports COPA, creation of a land bank, new definition of a CLT and TOPA

“Real estate market is extremely consolidated; there's a critical need to expand space for CLTs.”

Private Resident: “Mitchell-Illama's are the best example of decommodification in NY”

Genesis: Opposes 637; will further exclude black and Latino firm from participating the the real estate industry; need to continue to promote homeownership at the entrepreneurial scale

NY Real Estate Chamber: Opposes 637; will diminish access to city owned land for black and brown developers

CLTs: testified in support of community land act; CLTs are necessary to preserve and maintain truly permanently affordable housing that prioritizes households of extremely low to low incomes

[Committee Report](#)