

NYC community land initiative



Testimony to NYC Council Housing and Buildings Committee Regarding Exempting Community Land Trusts from Local Law 64

January 13, 2020

Good morning, Committee Chair Cornegy and members of the Housing and Buildings Committee. Thank you for the opportunity to testify today regarding proposed amendments to Local Law 64, Int. 1757 and Int. 1783-A. My name is Akilah Browne, and I am a Skadden Fellow working on community land trust (CLT) initiatives at New Economy Project. I am testifying today on behalf of the NYC Community Land Initiative (NYCCLI), an alliance of more than 30 organizations working to advance CLTs and community-controlled development. NYCCLI members include existing and emerging CLTs in all five boroughs working to create and preserve deeply- and permanently-affordable housing, affordable commercial space for local small businesses, and other critical community needs.

NYCCLI supports NYC Council's efforts to expand access to affordable housing, especially for New Yorkers who are low, very-low, and extremely-low income, and those experiencing or at risk of homelessness. We understand that the intent of Local Law 64, which requires registration and citywide marketing of affordable housing units, is to hold accountable developers and landlords receiving public subsidies, and ensure that New Yorkers can fairly and efficiently apply for affordable housing. We support these aims, as well as appropriate exemptions to Local Law 64 to prevent adverse, unintended consequences for certain affordable housing providers, including CLTs and nonprofit developers in our coalition.

NYCCLI urges City Council to exempt from Local Law 64 community land trusts (CLTs), as defined in NYC's administrative code, and properties on CLT land. We also support broadening Int. 1783-A to exempt both cooperative and rental Housing Development Fund Corporations (HDFCs).

CLTs are community-led nonprofits that own and steward land for the public good. CLTs lease use of land for affordable housing and other community needs -- typically through 99-year renewable leases that establish affordability, resale and other restrictions. In recent years, City Council has supported the expansion of CLTs, in recognition of their proven ability to ensure permanently-affordable housing; combat speculation and displacement; protect public subsidy; and foster democratic decision-making over housing and land use. Cooper Square CLT/MHA,

for example, has provided hundreds of units of deeply-affordable housing to families earning as low as 30% Area Median Income. More than a dozen other CLTs have incorporated or are in formation in low-income neighborhoods of color across the city.

As currently written, Local Law 64 could have adverse consequences for CLTs, including:

1. Undermining CLTs' ability to prioritize housing for, and combat displacement of, local and longtime neighborhood residents -- a core part of CLTs' mission. Communities are organizing CLTs precisely to combat rapid gentrification and displacement, and to enable community members to plan for their long-term stability. In order to do so, it is important that some measure of mobility be accommodated within the community, whether that means having the ability to move back to one's home community after an episode of homelessness, find a more appropriate unit for a growing or shrinking household, or find affordable housing in one's neighborhood in order to maintain the place-based support networks that enable people to survive and thrive.

As community-governed and -accountable entities, CLTs dedicate tremendous resources to educating, organizing, and engaging neighborhood residents, and developing a culture of stewardship. Among other activities, CLTs work to ensure that housing applicants understand the advantages and obligations that come with residing on CLT land. Local Law 64's requirements would complicate and potentially undermine this critical work. Moreover, many community residents that CLTs seek to serve, including those with limited proficiency in English and/or technology, would be at a competitive disadvantage through an online portal system.

2. Imposing cost-prohibitive requirements on CLTs. CLTs and community-based affordable housing providers operate with limited budgets and just enough staff and overhead to provide proper stewardship and maintenance. In order to comply with Local Law 64, CLTs would incur additional and unsustainable staffing and other expenses, including to review and respond to the large volume of applications that would inevitably be received through a citywide housing portal -- for small numbers of vacancies. On top of existing annual reporting requirements to the NYC Department of Housing Preservation and Development and under New York Not-for-Profit Law, CLTs would struggle to allocate additional resources, which would otherwise be used for community-based stewardship, to comply with Local Law 64.

For these reasons, in particular, we urge City Council to exempt CLTs and the modest number of properties on CLT land from Local Law 64's requirements. Thank you for your consideration. NYCCLI members would welcome continued dialogue with City Council on these critical issues.