

### Public Land for Public Good - Int. 637

# **Frequently Asked Questions**

## What is the Public Land for Public Good Act (Int. 637), and how does it work?

Int. 637 requires New York City to prioritize qualified community land trusts (CLTs) and nonprofit developers when disposing of city-owned property. The bill will help ensure that public land – a precious public resource – is used for permanently and deeply affordable housing and other community needs. Int. 637 is co-sponsored by 33 City Council co-sponsors and supported by 115 community, tenant, and affordable housing organizations and coalitions, including the NYC Community Land Initiative (NYCCLI), ANHD, and Housing Justice for All.

#### How will Intro 637 benefit New Yorkers?

New York City currently awards most of its public land to for-profit developers, even though nonprofit developers consistently provide longer-term and more deeply affordable housing. Between July 2014 and June 2018, NYC awarded 75% of public land projects to for-profits, according to ANHD. The city's reliance on for-profit developers has contributed to the worsening affordability crisis and displacement of low income Black and brown New Yorkers. A new analysis by NYCCLI found that the majority of homes built on formerly public land in East New York, Brownsville, Mott Haven/Port Morris and East Harlem are unaffordable to median-income households in those communities.

By contrast, NYCCLI found that nonprofits selected for public land dispositions built homes for extremely low-income households (those earning 0-30% of area median income) at nearly *twice the rate* as their for-profit counterparts, from 2014 to 2023.

By giving nonprofits a chance to develop more public land, Int. 637 will increase the supply of deeply affordable housing – as well as commercial, community and green spaces – that New Yorkers need. The city's growing CLT movement will bring more land into community ownership, shielding it from speculators and giving residents a say in their neighborhood's development. CLTs and other nonprofits will safeguard housing affordability over generations – long after regulatory agreements expire.

## How many nonprofit developers and CLTs exist in NYC?

New York City has a robust and longstanding nonprofit development sector, including 25 that are currently on NYC Department of Housing Preservation and Development's Qualified

Preservation Buyers List. NYC is also home to more than 20 CLTs, one-third of which are stewarding affordable housing and commercial properties or are in active stages of acquiring land.

CLTs are community-governed nonprofits that own land and ensure it is used for permanently affordable housing and other community needs. While some CLTs have in-house development expertise, others partner with nonprofit and for-profit developers to acquire, rehabilitate or build affordable housing and other community facilities. The CLT model is flexible and supports rental and shared equity housing, as well as commercial and other community development. Through ongoing organizing and stewardship, CLTs provide an additional level of oversight and accountability to community members.

At least 225 CLTs exist across the U.S., and they are a proven model to stabilize housing, protect long-term affordability and public subsidy, and build collective community wealth.

# Does Int. 637 exclude for-profits, such as M/WBEs, from public land dispositions?

No. For-profit developers remain eligible to bid on requests for proposals (RFPs) to develop city-owned land. If nonprofit-led proposals are not submitted or do not meet the city's project requirements, the city can award RFPs to for-profit applicants.

Additionally, nonprofit and for-profit developers often collaborate on projects, and Int. 637 will expand such partnerships. Several local CLTs, for example, are working with for-profit partners – including M/WBEs providing architecture, construction, and project management support – to develop vacant public lots in their communities.

NYCCLI supports the addition of language to Int. 637 providing that nonprofit-led partnerships – including joint ventures with a minimum of 51% nonprofit ownership – are prioritized for public land dispositions.

### Sources:

Association for Neighborhood & Housing Development, Center for NYC Neighborhoods, Community Service Society, Mutual Housing Association of New York, Make the Road New York, and Vocal New York. "Right to a Roof: Demands for an Integrated Housing Plan to End Homelessness and Promote Racial Equity." ANHD. February 2021. <a href="https://anhd.org/report/right-roof#:~:text=Leading%20community%20organizations%20from%20across,to%20end%20homelessness%20and%20promote">https://anhd.org/report/right-roof#:~:text=Leading%20community%20organizations%20from%20across,to%20end%20homelessness%20and%20promote.</a>

NYC Community Land Initiative. "Analysis of NYC Public Land Dispositions, 2014-2023." (Forthcoming November 2023).

Sosa-Kalter, Stephanie. "Maximizing the Value of New York City-Financed Affordable Housing." Association for Neighborhood & Housing Development. October 2019. <a href="https://anhd.org/report/maximizing-public-value-new-york-city-financed-affordable-housing">https://anhd.org/report/maximizing-public-value-new-york-city-financed-affordable-housing</a>.

For more information and a list of endorsers, visit nyccli.org/CLA.