

Testimony to the New York City Council Committee on Housing and Buildings

February 23, 2023

Good afternoon, Committee Chair Sanchez and members of the Housing Committee. Thank you for holding today's hearing and for the opportunity to testify on behalf of the New York City Community Land Initiative (NYCCLI), a broad coalition that has supported the growth of community land trusts (CLTs) and neighborhood-led development across the five boroughs. My name is Elise Goldin and I am a campaign organizer at New Economy Project, which co-founded and convenes NYCCLI.

Founded ten years ago, NYCCLI grew out of longstanding work by Picture the Homeless, New Economy Project, housing researchers, and activists and organizers around the city to address root causes of housing insecurity, displacement, and homelessness. CLTs are community- and resident-controlled nonprofit organizations that own land and, through a ground lease, set conditions for the use of the land. CLTs are widely recognized as one of the most effective ways to enforce the permanent affordability of housing, facilitate democratic planning and neighborhood development, and build collective community wealth. With close to 20 CLTs in existence or in formation in historically-redlined Black and brown neighborhoods, we have managed to put CLTs on the public agenda. Now, they need real support.

NYCCLI is pleased to testify today in support of the Community Land Act, a bold legislative package that will give CLTs and other nonprofits tools to acquire land for permanently affordable social housing, affordable commercial and community spaces, and other critical needs. We urge the Committee and Council to pass the Community Opportunity to Purchase Act, or COPA (Int. 196), Public Land for Public Good (Int. 637), and Resolution 38 in support of the NYS Tenant Opportunity to Purchase Act, or TOPA.

The Community Land Act enjoys broad support among community groups and New Yorkers, hundreds of which have turned out at Town Halls and community meetings and contacted Council Members to express their support for the proposed legislation. I am attaching to my testimony a letter – signed by more than 100 grassroots, base-building, faith-based, affordable housing, environmental justice and legal services organizations across the city – calling on the City Council and Mayor Adams to enact these urgently-needed bills.

The Community Land Act will help level the playing field for CLTs and other organizations to meet their communities' housing and economic development needs. As this committee knows,

nonprofits are more likely than for-profits to build affordable housing, take on complex projects, and maintain affordability over the long-term or in perpetuity. A recent analysis found that 35% of the total new construction units developed by nonprofit developers were extremely low-income units, compared to just 18% of new units developed by for-profit developers, for example. Yet 75% of housing projects on city-owned land and 80% of city subsidy dollars are awarded to for-profit developers. This imbalance represents missed opportunities for the City to use precious public resources to serve New Yorkers in greatest need – and to guard against the extraction of public subsidy over time.

CLTs in New York City are squarely focused on providing deeply-affordable housing, preventing displacement, and advancing racial equity in housing and land use. The City Council has made important investments in CLTs and other nonprofits in recent years, helping to build citywide capacity, strong grassroots leadership, and successful partnerships among CLTs and nonprofit developers. Cooper Square CLT, East Harlem El Barrio CLT and Interboro CLT have recently acquired properties, and several other CLT projects are in the pipeline. Mayor Eric Adams and City Council Speaker Adrienne Adams have named CLTs as a key strategy in their housing plans. The time is ripe for bold policy change to support the growth of this vital movement.

We urge the City Council to pass:

- 1) Community Opportunity to Purchase Act (COPA, Int 196), which gives qualified nonprofits a first opportunity to make an offer to purchase multifamily buildings when a landlord decides to sell. We urge the Council to strengthen COPA by adding an explicit right of first refusal for nonprofits, as provided by Opportunity to Purchase policies adopted in San Francisco and Washington, D.C., for example, and to expand the definition of "residential property" subject to COPA to include vacant property zoned for residential buildings with three or more units. We further urge the Council to work with our coalition and other nonprofit affordable housing providers, community development financial institutions, and City and State agencies to expand technical assistance and financing available to CLTs and other nonprofits in making COPA purchases. We are excited to support the successful implementation of COPA to curb speculative sales and expand the supply of permanently-affordable, community-controlled housing.
- 2) Public Land for Public Good (Int 637), which would require NYC to prioritize CLTs and nonprofit developers when disposing of City-owned land, to ensure that public land is used for permanently-affordable housing and other community needs. We urge the Council to strengthen the bill by expanding the entities that qualify as a bona fide bidder to include joint ventures where a nonprofit has a majority ownership stake, to allow for partnerships with MWBEs and other for-profit developers; and by adding a new definition of a "community land trust" in the NYC administrative code that appropriately

¹ Sam Stein, Community Service Society, Assessing De Blasio's Housing Legacy: Why Hasn't the "Most Ambitious Affordable Housing Program" Produced a More Affordable City?, 12-15 (Feb. 2021).

² Stephanie Sosa-Kalter, *The For-Profitization of Affordable Housing Development and the de Blasio Plan*, Association for Neighborhood & Housing Development (Oct. 17, 2017).

- reflects CLTs' role in housing and other land use. NYCCLI has drafted such a definition and would be pleased to share it with the Committee.
- 3) Resolution 38, calling on the NYS legislature and Governor Hochul to enact the Tenant Opportunity to Purchase Act. TOPA would extend Opportunity to Purchase rights directly to tenants and apply the regulation to a greater universe of buildings. By giving tenants the first right to collectively purchase their buildings when a landlord sells, or to partner with a mission-driven developer to acquire the property, TOPA would dramatically increase community-controlled housing in NYC and give tenants a voice in determining the fate of their own homes.

NYCCLI looks forward to working with the Council to implement an equitable new system for collecting on property tax and water arrears, and to ensure the permanent abolition of the tax lien sale – the final component of the Community Land Act. As a majority of this Council has agreed, our new system must re-municipalize public debt collection; prevent displacement of homeowners and tenants; promote long-term affordability through CLTs and partnerships with trusted non-profit developers; and create pathways for productive use for vacant lots and unoccupied buildings.

Finally, NYCCLI calls for important changes to be made to Int. 714, establishing a New York City land bank, before offering our support, to ensure the land bank serves as a strong partner to CLTs and other social housing providers. Specifically, the legislation must ensure CLT representation on the land bank's board of directors; prioritize CLTs and nonprofits in *all* land bank dispositions, not just for affordable housing; and prioritize *permanent* affordability in all housing dispositions. We also call for the addition of "green infrastructure in IBZs, community facilities, retail, commercial or other community uses" as uses for which the land bank can transfer land automatically, as long as the transfer is to a CLT, a developer working with a CLT, or a CDC or other nonprofit. NYCCLI has provided detailed suggestions to bill sponsors, and we look forward to supporting a strong next version of the bill.

The City and State have set ambitious goals to build thousands of more housing units in NYC but little detail has been provided on how we will create the deeply affordable housing our neighbors need. We must expand community-controlled social housing if we are going to put an end to the speculation and extractive real estate practices at the heart of the housing crisis. We need the Community Land Act to make this possible.

Thank you again for holding today's important hearing and for the opportunity to testify.

JOINT LETTER IN SUPPORT OF THE COMMUNITY LAND ACT

February 23, 2023

Dear NYC Council Members and Mayor Adams,

The undersigned organizations call on you to enact the **Community Land Act** -- an urgently-needed set of bills that give community land trusts (CLTs) and other nonprofits tools to develop and preserve **permanently-affordable housing, community and commercial space, and other neighborhood assets.** By taking land off the speculative market, <u>CLTs</u> protect public investment in affordable housing and maintain affordability over generations.

Together, these measures address root causes of our city's affordability crisis, combat displacement of low-income New Yorkers, and build collective wealth in Black and brown communities.

The Community Land Act includes:

- Community Opportunity to Purchase Act (Intro 196) giving CLTs and other qualified nonprofits a first chance to buy multifamily residential buildings when a landlord sells. Modeled on successful legislation in other cities, COPA helps level the playing field for CLTs to acquire, develop and preserve permanently-affordable housing.
- **Public Land for Public Good (Intro 637)** prioritizing CLTs and not-for-profit developers when the City disposes of public land. The bill will help ensure that vacant and underutilized public land is used to provide permanently-affordable housing and meet other critical needs.
- Tenant Opportunity to Purchase Resolution (Reso 38) calling on New York State to pass legislation giving tenants a first right to collectively buy their buildings when a landlord sells. Like COPA, TOPA would help bring housing into permanently-affordable tenant and community control.
- Permanently abolishing and replacing NYC's tax lien sale which has fueled speculation and displacement in BIPOC communities. NYC should replace the lien sale with an equitable system that engages CLTs to preserve affordable housing and keep New Yorkers in their homes.

The City must act to reverse the tide of displacement in Black and Brown communities and ensure affordable, dignified housing for all New Yorkers. Nearly <u>one-third</u> of New York City tenants are severely rent-burdened, and the population of unhoused New Yorkers has <u>skyrocketed</u>. Speculative landlords, meanwhile, are reportedly warehousing over <u>60,000</u> vacant rent-stabilized apartments. Majority-Black neighborhoods are bracing for another <u>onslaught of foreclosures</u> that strip families of wealth and housing stability, fueling racial inequality.

The Community Land Act brings land and housing into community control -- shielding them from predatory markets, supporting neighborhood-led development, and increasing the supply of permanently-affordable social housing.

We urge you to pass the full Community Land Act legislative package this session.

Signed,

89th Street Tenants Unidos Association

AD—WO - Val Alen Institute

Affordable Housing is For All

A. Philip Randolph Square Neighborhood Alliance

Art Against Displacement

Asian Americans for Equality

Association for Neighborhood and Housing Development (ANHD)

Astoria Not for Sale

Bailey's Cafe

Biotech Without Borders

Black Trans Media

Bronx Community Land Trust

Brooklyn Cooperative Federal Credit Union

Brooklyn Level Up

Brownsville Partnership

Carroll Gardens Association

Catholic Migration Services

Center for Family Life in Sunset Park

Center for New York City Neighborhoods

Chhava CDC

The Chocolate Factory Theater

Churches United for Fair Housing

Community Allies

Community and Worker Ownership Project at CUNY School of Labor and Urban Studies

Community Resource Exchange

Community Service Society of New York

Community Solutions

Community Voices Heard

Cooper Square Committee

Cooperative Economics Alliance of NYC

Cooper Square Community Land Trust

Cooper Square Mutual Housing Association II, HDFC

Crown Heights Tenant Union

Custom Collaborative

CUNY School of Law Community & Economic Development Clinic

DSA Queens Housing Working Group

East Harlem/El Barrio Community Land Trust

East New York Community Land Trust

East New York 4 Gardens

East River Park Action

El Puente de Williamsburg

Flatbush Tenant Coalition

The Flatbush Workshop for Design

For the Many

Goddard Riverside

Green Map System

Grow Brownsville

GrowHouse NYC

Hester Street

Housing Court Answers

Housing Justice for All

Housing Organizers for People Empowerment of East Brooklyn (HOPE)

Housing Rights Initiative

Housing Rights Project at CUNY Law

Housing Works

IMPACCT Brooklyn

Inclusiv

Southside United HDFC-Los Sures

LEAPS (Limited Equity and Affordability at Penn South)

Lower East Side People's Federal Credit Union

Malikah

Mothers on the Move / Madres en Movimiento

Mott Haven Port Morris Community Land Stewards

Neighborhood Housing Services of Brooklyn CDC, Inc.

New Destiny Housing Corp.

New Economy Project

New Immigrant Community Empowerment

New York City Community Land Initiative

NYC Youth Sports Podcast Show Inc.

New Yorkers for Culture & Arts

NY Muslim Organizing Collective

North Star Fund

Northern Manhattan Community Land Trust

Northwest Bronx Community and Clergy Coalition

Not One More Block

NYC Arts in Education Roundtable

NYC HDFC

Parsons Housing Justice Lab

Picture the Homeless

Pratt Center for Community Development

Q Gardens Community Farm

ReAL Edgemere Community Land Trust

Right to Counsel NYC Coalition

Riverside Edgecombe Neighborhood Association

South Bronx Unite

Stabilizing NYC

St. Nicks Alliance

STooPS Art & Community

Street Vendor Project, Urban Justice Center

The Supportive Housing Network of New York

TakeBackNYC

TakeRoot Justice

Tenants Political Action Committee

Theatre of the Oppressed NYC

The Mothership NYC

This Land is Ours Community Land Trust

Urban Homesteading Assistance Board

United Neighbors Organization

Universe City

Urban Justice Center - Safety Net Project

Village Preservation

WE ACT for Environmental Justice

We Are Not Afraid Community Resource Center

We Stay/Nos Quedamos

Western Queens Community Land Trust

Woodside on the Move

Youth Ministries for Peace and Justice

[LIST IN FORMATION]