



June 19, 2017

AMENDED TESTIMONY

Text in bold added in response to HPD testimony on the record at the hearing

Good afternoon. My name is Paula Segal. I am speaking today as an Attorney in the Equitable Neighborhoods Unit of the Community Development Project (CDP) at the Urban Justice Center. CDP works with grassroots groups, neighborhood organizations and community coalitions to help make sure that people of color, immigrants, and other low-income residents who have built our city are not pushed out in the name of “progress.” We work together with our partners and clients to ensure that residents in historically under-resourced areas have stable housing they can afford, places where they can connect and organize, jobs to make a good living, and other opportunities that allow people to thrive.

Thank you to the Committee for holding this hearing today and to the Council Members for introducing key transparency legislation to shed light the impact of Housing New York, Mandatory Inclusionary Housing and other drivers of development. I will discuss each bill in sequence.

Intro 305, when passed, will require Housing Preservation and Development to produce annual reports of units created, sponsored or preserved through its programs

every six months. **The Agency testified that it is already disclosing the sought information via the Open Data portal, where they are depositing spreadsheets of disaggregated data; the reports this legislation seeks to require the agency to produce would collect the available information and translated it for time periods and geographies relevant to the constituencies named in the bill; these constituencies do not have uniform access to the technical expertise necessary to translate the data on the portal. Producing reports aimed at residents, advocates and the volunteers who serve on our Community Boards would ensure that key information is available to those who seek it in a format they can understand.**

This is key information that should be made available not in the aggregate, but by project, in a machine-readable format by Borough Block and Lot number, with information about which Council District, Community District and Borough each project is in. Providing detailed information will empower local advocates and allow them to produce summaries that reflect the geographies that matter to them. The legislation should be amended to include not only the median income of the district where the project is located but also the affordability levels to which units in the project are or will be made available side-by-side with the local median.

Intro 336-A will add key transparency to Housing New York's Inclusionary Housing Programs and their successors. Again, the legislation should be amended to mandate that reports be published in machine-readable format, that reports should include Community District and Council District for each site and that any and all expiration dates of affordability restrictions be included as an element of the report.

Intro 942-A will crucially shift responsibility for reporting on subsidies for affordable housing from HPD onto developers who are actually sponsoring the projects. The legislation should mandate reporting by Community District, as well as Council District.

Finally, **Intro 1645** will add key transparency to the mandatory inclusionary housing affordable housing fund created by the MIH Zoning Text Amendment but left in the shadows by that legislation. We and our clients commend Council Member Richards for identifying the need to shine a light on this fund. **The Agency testified that it does not support this bill because it is redundant with disclosure requirements already in the zoning text. But the zoning text does not go far enough. It simply states that the Agency must produce a “public report on the use of [the in-lieu] fund.”** The text does not specify what information must be contained in such a report; it does not clearly describe that the report must disclose both funds available and funds spent. During the ULURP for the MIH Zoning Text amendment, the Manhattan Borough Board clearly stated,

The zoning text should set a new standard for housing development monies by enshrining specific frameworks for governance, baselines, transparency, and strategy for the use of the payment-in-lieu funds, thus eliminating the possibility that future administrations may have different priorities and can unilaterally change the nature of such funds.¹

The City Planning Commission, when making a determination to approve the zoning text amendment, stated,

HPD will track in-lieu fee deposits as they are received, and report annually about the funds generated, programmed, and spent. The Commission finds such uses of the fund to be consistent with the purpose of the Inclusionary Housing program, by supporting affordable housing within the neighborhood while ensuring that

funds do not go unused, and also consistent with HPD's approach to administering other housing funds.ⁱⁱ

But no law yet requires HPD to actually track incoming and outgoing funds with the precision that the CPC understood to be included in MIH. Intro 1645 will remedy this glaring omission.

Transparency will enable advocates and their administration partners to better utilize money in the fund and maximize affordability in our neighborhoods. Without the oversight tool this bill provides, the fund itself is ineffective. Since the MIH Zoning Text requires HPD to maintain fund contributions by Community District and make the funds available in those district, we would encourage an amendment to add Community Boards to the list of recipients of reports.

Thank you so much for accepting my testimony today. I look forward to working together in the decades to come for towards equitable city.

ⁱ CITY PLANNING COMMISSION, February 3, 2016 / Calendar No. 2 N 160051 ZRY, <https://www1.nyc.gov/assets/planning/download/pdf/about/cpc/160051.pdf>, at page 18

ⁱⁱ Id at page 36.