

TAKEROOT JUSTICE

Testimony to the NYC City Council on Intro. 1613-2019

Committee on Housing and Buildings

November 9, 2021

Thank you for the opportunity to provide comments on Intro. 1613-2019, a bill that would require the Department of Housing Preservation and Development (HPD) to include Community Land Trusts (CLTs) among potential developers for properties transferred through the Third Party Transfer (TPT) program. We are enthusiastic about the bill, but have a request that it be amended before passage to reflect the richness of the CLT landscape: the definition of CLT for the purpose of this bill should be expanded beyond those CLTs that are organized under the Housing Development Fund Corporation (HDFC) law to facilitate preservation and development of uses beyond housing.

As the Council knows, TakeRoot 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.” TakeRoot and 17 partner organizations are part of a citywide CLT Initiative to develop CLTs and permanently-affordable housing, commercial and community spaces, in all five boroughs of NYC. Launched in FY2020 and funded each year since, the Citywide CLT Initiative has provided crucial support to groups organizing CLTs in the South and Northwest Bronx, East Harlem, Jackson Heights, Brownsville, East New York and beyond. CLTs are community-controlled nonprofits that own land and ensure that it is used to ensure that NYC has land for permanently-affordable housing, community, commercial and manufacturing space. Locally, CLTs are working to develop and preserve deeply-affordable multifamily rental housing, limited-equity cooperatives, 1-4 family homes at risk of foreclosure, commercial and cultural spaces, community gardens, community-owned solar, microgrids and other infrastructure--reflecting the flexibility of the CLT model. **Intro. 1613-2019 should be amended to reflect that flexibility and diversity.**

The current definition that in the bill is a reference to a portion of the Administrative Code that directs HPD to enter into regulatory agreements with CLTs developing housing. In that context, the limitation that CLTs entering into such agreements be incorporated under the HDFC law: it is a requirement for all HPD regulatory agreement signatories. In the broader context of being able to receive properties in distress for their preservation and development, the



limitation is irrational. If included in the final text before the bill is passed, it would be a barrier to the preservation and development of affordable community, commercial and manufacturing spaces using the robust CLT model. I have included a suggested edit to the bill below that would resolve this problem:

Be it enacted by the Council as follows:

Section 1. Definition added to Section 11-401 of the administrative code of the city of New York, as added by local law 37 for the year 1996:

5. “Community land trust” is a corporation that is (i) is incorporated pursuant to section 402 of the not-for-profit corporation law; and (ii) provides in its by-laws that it will (a) acquire parcels of land for the preservation and development of affordable housing, community, commercial and/or manufacturing space, and (b) have a board of directors composed of lessees of housing associated with the entity, an adult resident of a particular geographic area specified in the bylaws of the organization and any other category of persons described in the bylaws of the organization.

Section 1. Paragraph (2) of subdivision b of section 11-412.1 of the administrative code of the city of New York, as added by local law 37 for the year 1996 is amended to read as follows:

(2) Such third party shall be deemed qualified and shall be designated pursuant to such criteria as are established in rules promulgated by the commissioner of housing preservation and development, provided, however, that such criteria shall include but not be limited to: residential management experience; financial ability; rehabilitation experience; ability to work with government and community organizations; neighborhood ties; and that the commissioner shall consider whether the third party is a responsible legal tenant, community land trust as defined by section 11-401 of the code, not-for-profit organization or neighborhood-based-for-profit individual or organization. The commissioner shall not deem qualified any third party who has been finally adjudicated by a court of competent jurisdiction, within seven years of the date on which such third party would otherwise be deemed qualified, to have violated any section of articles one hundred fifty, one hundred seventy-five, one hundred seventy-six, one hundred eighty, one hundred eighty-five or two hundred of the penal law or any similar laws of another jurisdiction, or who has been suspended or debarred from contracting with the city or any agency of the city pursuant to section 335 of the charter during the period of such suspension or debarment. The rules promulgated by the commissioner pursuant to this paragraph may establish other bases for disqualification of a third party.

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