

COMMUNITY LAND TRUSTS & MUTUAL HOUSING ASSOCIATIONS

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COMMUNITY LAND TRUSTS & MUTUAL HOUSING ASSOCIATIONS

A DIFFERENT POLICY APPROACH TO TRULY SUSTAINABLE AND AFFORDABLE HOUSING

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ABSTRACT



There are many existing housing programs in New York City aimed at affordability for low-income tenants. This paper will outline two particular programs known as the Tenant-Interim-Lease (TIL) Program and the Affordable Neighborhood Cooperative Program (ANCP) in order to assess their affordability for low-income New Yorkers and their ability to offer a long-term and cost-effective housing model. This research paper will present community land trusts (CLTs) and mutual housing associations (MHAs), as extensions of the TIL and ANCP programs, and alternative solutions to the affordable housing crisis in New York City. This paper will examine historical and current housing policies to provide context for the current system. The shortcomings of these policies will be discussed in order to explain the necessity of alternative policy implementation. A realistic approach to the shortcomings of our policy proposal will be discussed, as well as the roadblocks to implementation. We will look to examples of CLT and MHA enactment within New York City and nationwide in order to determine how it can be successfully replicated on a larger level.

AFFORDABLE HOUSING IN TWENTIETH-CENTURY NEW YORK

In order to recognize the need for alternative housing programs and policies, a contextual framework of public housing's history within New York City is necessary. The economic boom of post-World War II America brought with it increased investment in public housing, and nowhere was this more visible than in the five boroughs of New York. War veterans and their families were given housing priority, and tenants gained access to long-term affordable housing. Typically, tenants paid market rents that covered the cost of construction, maintenance, and general operation. However, priority for these units was given to middle-class Whites, while separate housing complexes were built in "ghetto" communities. These units were subsidized with federal, state, and local funding. (Rothstein) As increasingly high numbers of White families relocated to the suburbs mid-century, similar opportunities were not made available to Blacks and Hispanics through the use of "racially restrictive deeds" and red lining. (Ibid.) With the resulting "white flight," government emphasis on constructing, maintaining, and preserving affordable housing for the city's minority populations was not prioritized. Thus, public housing came to no longer be associated with upward mobility and the middle-class. Instead, it became synonymous with racial divide and poverty. President Nixon's 1973 description of housing projects as "monstrous, depressing places—rundown, overcrowded, crime-ridden," reflected this public opinion. (Ibid.) This ushered in an era of housing stagnation, and for increasingly decrepit units, regression.

The economic upswing of the 1970s and 1980s resulted in rising rents and steady population growth, with an inevitable increase in homeless populations. Following years of neglect and halted urban renewal projects, the city was in need of an affordable housing policy to meet the growing needs of the city. Since Mayor Koch's 1985 Ten Year Plan for Housing, every mayoral administration has committed to some variation of a "ten-year plan." ("Housing Policy in New York City," p. 3) These plans have addressed the city's housing crisis, whether it is through an emphasis on neighborhood revitalization, tapping into the tax-foreclosed (in rem) housing stock, or the utilization of government subsidies for new construction. (Ibid, p. 4) Mayor Bloomberg's plan, entitled the New Housing Marketplace Plan (NHMP) was deemed "one of the largest and most ambitious municipal affording housing efforts in the nation's history." (Dulchin) It committed to creating or preserving 165,000 units of city-subsidized affordable housing between 2003 and 2012. (Ibid.) By mid-2012, 124,495 apartments were developed or preserved. (Bach & Waters 26) About 58 percent of these units were affordable to households earning 60 to 120 percent of AMI, or area median income. ("Real Affordability" 20)

Mayor de Blasio's ten-year plan, "Housing New York," was introduced in 2013. The plan's goal is to create or preserve 200,000 affordable units, with mandatory inclusionary zoning producing around 50,000 of those units. (Amato) This would require developers to set aside 25 percent of all new units for low-income residents. (Navarro) Significant community investments, including an earmarked \$1 billion, will be dispersed throughout specific rezoned communities that Mayor de Blasio has identified, which include Washington Heights, Inwood, Flushing West, and Bay Street on Staten Island. (Ibid.) Through the construction of mixed-use, mixed-income development, de Blasio hopes to revitalize neighborhoods such as East New York, Cypress Hills, East Harlem, Hamilton Heights, and Hunters Point. ("Housing New York" 30) The concept of "adaptive reuse" is a major tenet of de Blasio's plan. One successful example can be found in East Harlem's Artspace at P.S. 109, in which a previously shuttered public school was converted into a 90-unit affordable housing building with community space, non-profit office space, and a community garden. (Ibid, p. 37)

EXISTING AFFORDABLE HOUSING IN NEW YORK CITY AND ITS LIMITATIONS

In terms of number of units built or preserved, Bloomberg's housing plan was wildly successful, and de Blasio's plan is also on track to meet its goals. Unfortunately, these Mayoral and citywide attempts are largely a reflection of the status quo, as they fail to offer long-term viable solutions to the housing crisis. Despite the impressive amount of units built over the past fifteen years, this is not an accurate reflection of the number of New Yorkers served. All new housing units are counted equally under de Blasio's plan, despite the number of people that the unit can adequately house and the number of years that the rent for that unit will be affordable. A studio apartment that rents for just below the market price – and is only affordable for 30 years before the rent control lapses – is counted equally to a multi-bedroom home that rents for under \$1,000 and is permanently affordable. (Dulchin)

According to Right to the City Alliance's 2010 report on number of vacancies in new construction, there were 1,009 estimated units of vacant housing in high-rise condos in East and Central Harlem alone. ("People Without Homes" 24) Across gentrifying neighborhoods citywide, including Bushwick and Downtown Brooklyn, Lower East Side, the South Bronx, there were roughly 450 completely vacant buildings, a number that has likely increased in the past six years. (Ibid, p. 5) Affordable housing policies created a climate in which these vacancies could happen, as the plans are limited in their depth of affordability. The upper income limit of nearly one-third of NHMP units was above the area median income (AMI) of the city itself. ("Real Affordability," p. 3) De Blasio's plan continues this pattern of setting income restrictions just out of reach for low-income residents, rendering them ineligible for new units built in their community. The city's increasing unaffordability for the middle- and lower-class is compounded by stagnated incomes. Between 2005 and 2012, the cost of rent rose by 11 percent, yet renters' incomes have not risen along with them. ("Housing New York" 16) As of 2010, 500,000 households were paying more than 50 percent of their incomes on housing. ("People Without Homes," p. 11) Also concerning is that the long-term affordability of many units is at risk. For example, beginning in 2017, an average of 11,000 units per year that were built with city subsidy are at risk of not being preserved for long-term affordability. ("Real Affordability," p. 3) There has been a loss or deregulation of 250,000 rent-stabilized units since 1993. ("Housing New York," p. 52)

Even for those that gain access to affordable housing, there is no long-term security for these tenants. Real estate developers continue to be the gatekeepers to affordability. As development increases, so too does the incentive for landlords to raise rents, thus forcing out long standing communities. Despite the potential for exciting urban planning projects, including the Harlem River Esplanade, low-income communities are adversely affected by these projects with little protections.

In their book, *Affordable Housing in New York: The People, Places, and Policies That Transformed a City*, Matthew Gordon Lasner and Nicholas Dagen Bloom examine the ways the city, state, and federal government offer support for affordable housing. They identified three principle ways the government does this including, through the New York City Housing Authority (NYCHA), which owns and rents apartments directly to tenants, by delivering government subsidies directly to families, and finally by giving subsidies to developers and landlords who agree to create or operate below-market units. (Totah, p. 3)

Karina Totah, senior advisor to the chair of NYCHA, explains that public housing is the oldest affordable housing program in New York City and has the largest share of affordable housing supply in the city, including

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74 percent of all New York City rental housing that costs less than \$500 per month and 51 percent of all rental housing less than \$800 per month. (Ibid.) More than 400,000 New Yorkers reside in NYCHA's 328 public housing developments across the City's five boroughs. (Ibid.) But while NYCHA supplies a great deal of housing for low-income New Yorkers, it has a \$1 billion operating loss and a 30 percent decrease in capital funding since 2001, which has translated into \$16.9 billion worth of unmet capital needs in their buildings. (Ibid.)

Another 235,000 people receive subsidized rental assistance in private homes through the NYCHA-administered Section 8 Leased Housing Program. (Ibid.) Section 8 vouchers are the government's way of delivering subsidies to low-income families in order for them to find a place to live at affordable rents in the community. Historically, the vast majority of Section 8 vouchers have been distributed by NYCHA, but HPD also provides this subsidy as well as the New York State Division of Housing and Community Renewal (DHCR), which administers a state-wide Section 8 program. (Coalition For The Homeless. "Public Housing/Section 8.") While Section 8 does help tenants afford more expensive units, it still requires them to pay 30 percent of their income towards rent, and as of December 2009, NYCHA stopped accepting Section 8 applicants. (Coalition For The Homeless. "Getting Placed in Public Housing and Section 8.")

There are several programs where the government has supplied developers and landlords with subsidies to create and operate below-market housing. The Limited Profit Housing Companies Act of 1955 was created in order to build affordable housing for middle-income residents. That housing became known as Mitchell-Lama housing, which consisted of 269 State-supervised developments with over 105,000 apartments. One of the stipulations of the program allowed for housing companies to voluntarily dissolve, or buyout, and leave the program after 20 years from initial occupancy. (NYSHCR) To date, 93 Mitchell-Lama developments, which are approximately 31,700 units, have chosen to opt out of the program and sell their buildings or units for a profit, reducing the total number of units to roughly 73,000. (Ibid.) As of January 2006, HPD reported that there are as few as 132 buildings or about 54,000 units left in the program. (NYCRGB)

In terms of affordability, while the buildings still under the program are subject to income limits (\$50,750 annually for a single person applying for a federally assisted rental, \$79,297 for a single person applying for a federally assisted cooperative, and \$79,297 for a non-federally assisted unit), those that have been bought out are no longer subject to Homes and Community Renewal (HCR) or Housing Preservation and Development (HPD) Mitchell-Lama regulation, and “apartments need not be kept affordable for moderate-income households.” (NYC HPD. “Mitchell-Lama;” NYU Furman Center) However, rent regulation for projects built before 1974 remains in effect, as do the regulatory requirements of tax relief or other programs. (Ibid.) Therefore, not only are units still in the program meant for moderate- to middle-income residents, but those that are now privately owned are rented at market rates, also out of reach for low-income residents.

Then, there are limited equity cooperatives where the city and the state provide tax breaks to unions, nonprofits, and others to build and operate housing cooperatives in which low-income eligible members purchase shares at below market prices and are subject to limitations on the amount of equity or profit they can receive on the resale of their units. (Mallin) This kind of housing can be created through a variety of means, including through private developer sponsors, not-for-profit sponsors, tenant supported cooperatives, and homesteading groups. One type of tenant supported group is the TIL/ANCP program mentioned earlier. This program is the focus of this research paper.

In the 1970s, the City took over roughly 2,200 buildings, home to some 22,000 families because landlords were not paying their real estate taxes or keeping up with repairs in their buildings. (Urban Homesteading Assistance Board) These buildings were put into what’s called the Tenant-Interim-Lease (TIL) Program, which assists organized tenant associations in City-owned buildings to develop economically self-sufficient low-income cooperatives where tenants purchase their apartments for \$250. (Ibid.) When the buildings are under City-ownership, they are rehabilitated through a combination of city and federal funding sources that utilize private construction management firms to supervise the work. Operating expenses, repairs, and management fees are paid for by rental income, which is restructured before the buildings are sold to the cooperative Housing Development Fund Corporations (HDFCs) in order to remain financially viable. (NYC HPD. “Tenant Interim Lease Apartment Purchase Program.”) While the majority of tenants living in these buildings have lower incomes, there are still maximum income standards for shareholders, tenants of the cooperative, and subtenants of shareholders. (Ibid.) According to the HPD website, there are two common income standards. (Ibid.) The first is that “the income of the incoming family can be no more than six times the annual maintenance plus a factor for utilities for families of fewer than three dependents,” while the other is that “incoming families can earn no more than 120 percent of the median income of the metropolitan area (AMI) or 165 percent of the median income of the metropolitan area (AMI).” (Ibid.) As of 2010, the maximum income of 120 percent of AMI for a single person is \$66,600 and the maximum income of 165 percent of AMI is \$91,600.

Today, there are 2,422 residential units in the program, 1,525 occupied and 897 vacant. (Whitford) As reported by *Gothamist* on March 9, 2016, “Tenants in these buildings pay between \$280 and \$400 a month in maintenance fees, reflecting the rental market when they entered the program decades ago,” according to HPD. (Ibid.) Because of inefficiencies in the TIL program, HPD plans to turn all of the TIL buildings into functioning low-income coops, using low-interest Affordable Neighborhood Cooperative Program (ANCP) loans. (Ibid.) The ANCP program functions the same way as the TIL program, but the coop buy-in for ANCP buildings is \$2,500, rather than \$250, and “vacant units can be sold to families making up to \$100,680 for a family of four, edging out potential residents who make much less.” (Ibid.) HPD’s contribution to the rehabilitation is also limited to \$110,000 per unit, which is much less than the amount needed to complete reconstruction of these buildings that have been in need of vital repairs for decades.

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Mr. Michael Heath, the tenant leader of a TIL building at 51 East 129th Street, said his building has been in the program for 17 years and nothing has been done to his building in that time. The tenants of 21 Arden Street, a TIL building in Washington Heights, were vacated from their building in 2008 when HPD determined it “structurally unsound,” and informed tenants they would begin repairs soon. As of today, no repairs have been done to their building either as HPD has said their project is beyond the \$110,000 per unit limit, and therefore, it is too expensive. Esmeralda is the granddaughter of a woman who lived at 53 East 110th Street, a TIL building that was vacated by HPD a decade ago. She told the story of another tenant from that same building who is wheelchair bound who has been relocated seven times by HPD to different buildings throughout the city. “That could have been my grandmother,” Esmeralda said during a “Housing Not Warehousing” tour with the organization, Picture the Homeless in May 2016. “It’s painful to see my grandmother wait ten years to come back home, and she hasn’t come back home.”

A FRESH SOLUTION

New York City’s past practices and current housing policies provide a legacy of severe limitations and insufficiencies, warranting a fresh approach to housing poor and low-income individuals and families. This approach must address the shortcomings of city government to maintain municipally owned or designated low-income dwellings as well as unsafe and inefficient homeless shelters, fed by individuals who are unable to access affordable housing. This approach must offer a long-term and cost-effective model that may be implemented and scaled-up citywide. Finally, this approach ought to preserve residents’ dignity and well-being, for they are often representative of minority racial and/or ethnic groups; they are negatively stigmatized and stereotyped; and are most vulnerable to the destabilizing effects of low-income (or no income) and poor support networks.

Fresh, but by no means new, *community land trusts* (CLTs) should be evaluated and implemented as a practical, sustainable and holistic solution to the so-called ‘shortage’ of affordable housing in New York City. CLTs are community-based nonprofit corporations where the objective is exclusively focused on stewardship of a particular parcel of land (that may include several city blocks or smaller portions of land). The community decides how the land is developed through a board-membership voting process, though the general goal is to ensure long-term affordable housing leases, coupled with the cultivation of civic buildings, commercial spaces and other community assets. CLTs are a sustainable model by which affordable housing and community development are at the forefront, assumed by advocates as a human right rather than a commodity (NYC Community Land Initiative).

Community land trusts typically address the following issues:

- **Socio-economic inequities by providing dependable and sustainable housing options to low-income people who are most vulnerable to displacement via fluctuations in the housing market and neighborhood gentrification;**
- **Democratic/participatory governance through elected board of members representing a balanced mix of CLT residents, other community members (not within the CLT), and local stakeholders, such as public officials and nonprofit organizations, that determine how to build a community that speaks to their needs and values;**
- **Efficient use of resources by revitalizing former dump sites, blighted properties and vacant lots in order to foster healthy, vibrant communities and opportunities for individuals and families to ‘get ahead’**

(Homes and Hands, 2006); and

- Sustainability by keeping public investments circulating within the community so the long-term affordability of housing is guaranteed.

CLTs permanently maintain ownership of housing and development leases within the boundaries of the land trust. But they provide another opportunity for collective proprietorship of affordable housing in the form of *mutual housing associations* (MHA). Much like the traditional co-op model, residents vote on how housing is developed, managed and maintained. However, MHAs contrast with co-ops and similar models because they are leveraged by a larger democratic-decision making constituency (NYC Community Land Initiative). In other words, the scale of MHA membership is greater, providing a larger pool of capital assets to fulfill its mandate of affordable housing. For clarification, MHAs retain ownership over the actual buildings, whereas CLTs own the land that the buildings stand on.

What makes this approach two-tiered is its ability to not only supply housing for extremely low-income New Yorkers (those making less than \$30,000 a year), but also homeless populations. According to Coalition for the Homeless, “Research shows that the primary cause of homelessness, particularly among families, is lack of affordable housing.” (Coalition For The Homeless. “Basic Facts About Homelessness: New York City”) The immediate “triggering causes” of homelessness include: eviction, doubled-up or severely overcrowded housing, domestic violence, job loss, and hazardous housing conditions. (Ibid.) Jenny Akchin from Picture the Homeless, who works with homeless individuals mostly residing in East Harlem, said what society believes to be true about homeless people is very different from reality. She said that many homeless people are in fact working; they just happen to be working minimum wage jobs, which don’t provide enough income to pay for the skyrocketing rents of the city, or they receive undocumented income, which individuals cannot use to apply for housing lotteries. “Why are people homeless?” she said. “It has to do with affordable rent, period. That’s pretty feasible if we subsidize apartments appropriately.”

A PROVEN APPROACH: CLTS IN ACTION

The National Community Land Trust Network, newly minted as “Grounded Solutions Network,” exists as a networking tool and database for CLT mobilization and sustaining efforts. The website provides an informative video created by GroundSpark entitled, “[Homes and Hands: Community Land Trusts in Action](#)” that demonstrates three examples of successful CLT models in the U.S. These examples illustrate not only the power of collective land stewardship, but also the application of CLT and MHA concepts to unique types of urban and suburban communities, including:

- Durham Community Land Trust, Durham, North Carolina
- Sawmill Community Land Trust, Albuquerque, New Mexico
- Champlain Housing Trust, Burlington, Vermont

The Durham Community Land Trust is based in the West-End neighborhood of Durham, N.C. and was “started to improve and preserve the deteriorating the local housing stock that was abandoned by absentee property owners.” (GroundSpark) Much like New York City’s demographic shifts of the 1950s and ‘60s, Durham’s own long-time residents began a northward exodus, leaving behind lower-income, mostly African-American tenants. (Ibid) As landlords acquired homes for little investment, they leased them out in substandard condition as tenants had little (socio-economic) power to demand improvements. Many homes fell into disrepair, creating

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prime conditions for illicit criminal activity. The Durham Community Land Trustees discovered that by rehabbing 3-4 homes per block, they could stabilize a community, thus removing the undesirable chaos resulting from illegal activity. (Ibid) Linda Lewis-Giles, homeowner and former board president, proudly noted that the homes within the CLT are quality-built and the surrounding communities have taken note of their example. (Ibid)

Albuquerque's Sawmill Neighborhood is strategically located in-between the city's downtown area and Old Town, a major tourist attraction. As the city grew, long-time residents began to be priced-out and displaced from their own neighborhood. This, coupled with pollution from nearby industry, led to the establishment of a CLT in that community to protect its residents. In 1997, city officials approved the Sawmill Community Land Trust's plan for development of 27 acres of former industrial land into mixed-use buildings, parks and permanent affordable housing. (Ibid)

Started in 1983, the Burlington Community Land Trust was started with the financial support of a progressive city government in an effort to address the affordable housing crisis. (Ibid) Many of Burlington's neighborhoods were located near anchor institutions and a valuable waterfront, but were in need of revitalization without gentrification. Former Mayor of Burlington, Peter Clavelle, commented on the federal government's extensive approach to affordable housing, proven to be short-lived and most beneficial to developers and investors in the long-term. (Ibid) Instead, the CLT model has provided sustainable and affordable housing to over 300 families living in a variety of housing options (including single-family homes, co-ops, rentals, and condos) and space for community non-profit community organizations. (Ibid) Renamed the "Champlain Housing Trust," to this day it is the largest CLT in the country, with over 4,000 members spanning 3 counties. (Ibid)

Perhaps there is no better example of a successful CLT model than in in our own backyard. New York City's Cooper Square Community Land Trust encompass 21 parcels of some of New York City's most prime real estate, located on the Lower East Side from East 14th Street to Delancey Street, between Bowery and Avenue D. (Lartey, 2015) However, unlike Burlington's supportive government, Cooper Square Committee (CSC) had to fight for its CLT with its inception in 1959 a result of Robert Moses' Urban Renewal Plan. (Ibid) An *Alternate Plan for Cooper Square*, authored by planner Walter Thabit, was adopted by as the neighborhood's official development plan in 1961, only to face years of red tape. The plan actually took effect thirty years later, when a Memorandum of Understanding (MOU) was signed so that the Cooper Square MHA permanently oversaw housing in the community. (Kimball, 2014) CSC has effectively kept its community racially, economically, and culturally diverse while providing lasting housing solutions to its residential leases. (Ibid)

IMPLEMENTATION: A NEW YORK CITY WIDE CLT/MHA

Those 897 buildings in the TIL program will remain vacant as construction costs rise and HPD continues to claim lack of funding to fix these units. As reported by *Gothamist*, "If all of the TIL buildings in NYC opted into an MHA/CLT, the city could create and preserve housing for more than 6,000 people." (Whitford) This is because, in an MHA/CLT, "residents pool their maintenance fees across buildings, and decide jointly how to allocate them." (Ibid.) The first step in the process would be acquiring these buildings from the city, but as Jenny Akchin, who also does housing policy and research with Picture the Homeless (PTH) explained, "[HPD is] okay with getting rid of their properties and would prefer it." However, since many of these buildings are in such disrepair, they would have to undergo considerable renovation, which requires broad tenant support and outside expertise, including architects, engineers, banks, and other parties.

Ken Wray of Community Assisted Tenant Controlled Housing (CATCH) told *Gothamist* a typical “substantial rehab” costs about \$146,000 per unit, and a gut renovation can cost as much as \$280,000 (\$36,000 and \$170,000 more than HPD’s current limit under ANCP respectively). (Ibid.) Federal, state, and city subsidies typically cover between 60-70 percent of the renovation costs for a nonprofit building, but as Akchin said, “We’re asking for a low interest loan in order to subsidize existing tenants, but we’re not asking for anything different.” Akchin said what is different is that they want some of the capital costs up front and then they would take on the rest as debt that could be paid off with the maintenance fees and rents from commercial spaces that become part of the CLT. This could be done by acquiring some of the 1,131 City-owned vacant properties identified in the City Comptroller Scott Stringer’s report released February 8, 2016, and by building affordable grocery stores and other businesses and even employing residents of the CLT. (Stringer)

Another funding strategy Picture the Homeless has suggested through their “Gaining Ground” initiative, is to “utilize various city resources, including city tax levy funds and Department of Homeless Services (DHS) funding, to develop and preserve permanently affordable and high-quality housing for individuals and families who are currently homeless or at-risk of homelessness.” (Picture the Homeless. “Gaining Ground: Real Solutions to the Housing Crisis.”) They are asking Mayor de Blasio to follow through on his stated commitment to divert DHS funding into “permanent housing solutions for homeless individuals and families by developing permanent housing options beyond the supportive housing model for extremely-low income and homeless households,” one of those solutions being the development of a City-wide CLT. (Picture the Homeless. “The Gaining Ground Pilot Project.”) According to the Finance Division of the Council of the City of New York’s “Report on the Committees on Finance and General Welfare on the Fiscal Year 2016 Executive Budget for the Department of Homeless Services,” the DHS fiscal 2016 executive budget totals \$1.07 billion. (Finance Division The Council of the City of New York) If a portion of that money was reallocated into providing the capital costs Akchin mentioned for the rehabilitation of TIL/ANCP buildings on a CLT, that money would be better spent on this permanent, affordable housing solution rather than on an inefficient, ineffective New York City shelter system.

In terms of political support for this policy measure, Manhattan Borough President Gale Brewer has expressed her support for the East Harlem El Barrio Community Land Trust, along with Manhattan Community Board 11. (Brewer) *City Limits* reported that City Comptroller Scott Stringer and Speaker Melissa Mark-Viverito both have rezoning plans that list community land trusts as a central demand, and as of May 9, 2016, Councilman Donovan Richards is drafting legislation to define community land trusts in city law. (Savitch-Lew) In addition, a number of community-based organizations and non-profit housing developers have signed on in support of the Gaining Ground proposal brought forward by Picture the Homeless, including, Banana Kelly, Cooper Square Mutual Housing Association, CATCH Mutual Housing Association, CAAAV, CASA, UHAB, and many others. (Picture the Homeless. “Gaining Ground: Real Solutions to the Housing Crisis.”)

WHAT’S STOPPING US? LIMITATIONS OF IMPLEMENTATION

On December 10, 1948 the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights, and included in this declaration is Article 25, the “right to an adequate standard of living.” (Claiming Human Rights) This right states that “everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.” (Ibid.) When land is bought

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and sold under a market-based economic system, the concept of “housing as a human right” is under conflict. As the National Economic & Social Rights Initiative (NESRI) explained, “Housing costs should be at such a level that the attainment and satisfaction of other basic needs are not threatened or compromised.” (NESRI)

The Community Service Society’s 2013 report, “Good Place to Work, Hard Place to Live,” stated “neither New York City’s private housing market nor its affordable housing subsidy programs are producing enough apartments to house the growing low-income population.” (Bach, Victor & Waters, p. 2.) The report also found that since 1990, New York City has lost 33 percent of its affordable housing stock. (Ibid, p. 13) But the real limitation is the City’s tendency to have developers drive the conversation around how affordable housing can be built. “Once you accept the false premise that the only way to get affordable housing is to let developers build market-rate housing and make so much money that they can allow some ‘affordable’ housing, you’re in the developers’ laps,” said Tom Angotti, a Professor of Urban Policy and Planning at Hunter College for an article in *Gothamist* that came out in March of 2016. (Joseph) The article cited a study done by the Real Affordability For All coalition, which found that only 16 percent of the “affordable units” built over the last two years have gone to New Yorkers making less than \$25,150 a year. (Ibid.) While Leonard Grunstein argues that “we need to harness the power of the market,” and work within our capitalist, market-based system, the evidence is clear that we are losing our affordable housing under this system. (Grunstein) So, as Samuel Stein wrote for *Jacobin* magazine, “If people can use these tools [community land trusts and mutual housing associations] to take land off the market and develop permanently affordable alternatives, they can effectively decommodify their housing and reclaim community control.” (Stein)

This decommodification of land is the greatest strength, and biggest challenge, of CLT and MHA policy implementation. Gatekeepers of economic, community and housing development, including real estate developers and politicians, benefit immensely from the current housing model. In fact, it is the private developers and city officials who, because of their financial access, are able to drive the entire conversation around housing, the market, and how to address issues. Gatekeepers have a great deal of capital to lose by inverting the power structure. By contrast, in order for CLTs to be successful, stakeholders, including long-time community members, low-income, homeless or displaced populations, are empowered to take ownership and responsibility over their community. Stakeholders are asked to be, and emboldened to be, their own advocates. However, this requires basic awareness of CLTs, a depth of understanding about the policy strengths, and a sense of buy-in. If only a few community members are educated about CLTs, there may not be enough momentum gained to see a tipping point of community action, CLT implementation, and resulting long-term affordable housing.

Particularly with the TIL/ANCP program where tenants have been promised homeownership for so many years, it can be hard for tenants to immediately jump on board with a CLT/MHA model, which provides permanent affordability for the tenant as long as they are living there, but they are not able to sell their property once they decide to move. Ricarte Echevarria Jr., director of the TIL program who was previously a community organizer in Northern Brooklyn said this may be one of the bigger hurdles for CLT implementation. He said that while many of the tenants are deeply frustrated with the slow progress or no progress of their TIL buildings, some are still unwilling to give up on the idea of owning their home. Similarly, Christine Retzlaff O’Connell, deputy director of the ANCP program said, “We want to be recognized for what we have. We want to be able to sell that asset.” Therefore, it will take more on the part of the tenants to organize and educate themselves about what would, in fact, be best for all individuals and the community as a whole.

Likewise, bottom-up policy cultivation and adaptation ought to be realized to a far greater extent than

it is now. After all, CLTs are the ultimate community engagement tool. By allowing the beneficiaries of CLTs and MHAs to simultaneously act as their own custodians, far less onus is placed on municipal officials, or the traditional ‘top’ of top-down policy makers. Just as the dynamics of communities are fluid, so too should the policies that guide the shift to serve them. As evidenced in the past, top-down policies may provide band-aids to acute problems, but ultimately they have not provided the sustainable solutions that vulnerable residents require when it comes to affordable housing as part of a larger market-based system. Further, New York City cannot fiscally absorb the full costs of its housing programs, thus rendering them ineffective and truly unfair to the people affected by substandard living conditions and displacement (such as Mr. Heath and Esmeralda’s grandmother). Like the challenge of shifting the stakeholder/gatekeeper paradigm, shifting the power of the top government ‘elite’ to the bottom constituents is formidable. The top decision makers not only have power to create and enforce policy, but they are also traditionally comprised of experts and officials who - in theory - best understand how to solve complex housing issues. In practice, however, a top-down approach warrants examination.

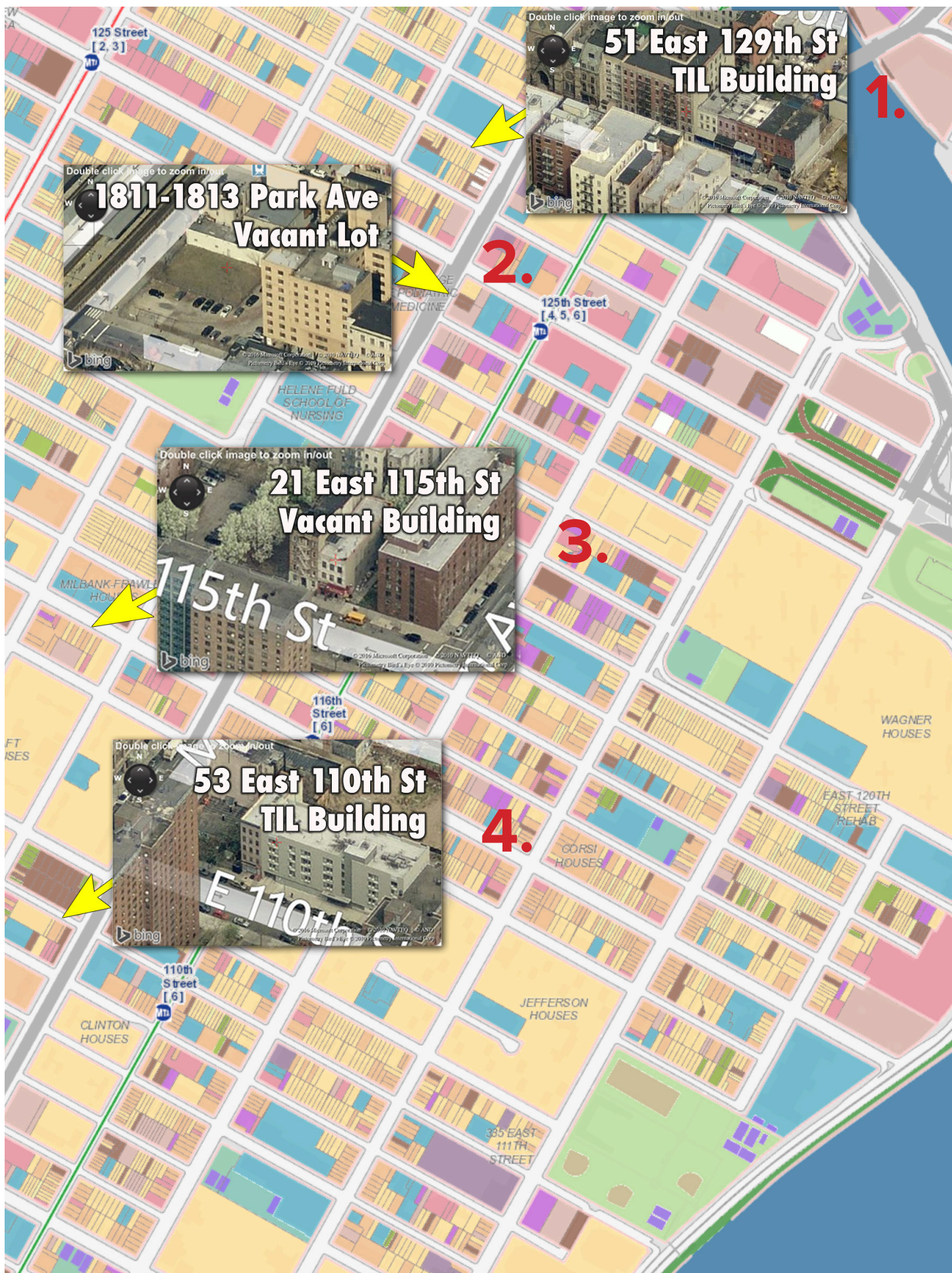
REPLICATION: A CLT IN EAST HARLEM

There are opportunities for CLTs to take root and be replicated within New York City. First, Mayor de Blasio must create a taskforce to identify housing vacancies, modeled after Right to the City Alliance’s, “People Without Homes & Homes Without People.” This would allow community members and politicians to pinpoint the discrepancy between rising homelessness rates and new construction. In addition to current residential vacancies, the city must also survey all vacant lots appropriate for residential use. Community leaders must educate the public on CLTs and MHAs through neighborhood planning meetings, workshops, and block parties. City Council members and Community Boards can utilize the vacancy data to partner with local schools, social service agencies, and business owners. Together, they can determine, block by block, how vacant buildings and lots can best be utilized for the good of the community.

East Harlem/El Barrio Community Land Trust is a growing coalition of engaged tenants, small business owners, and community activists advocating for the implementation of a CLT in their community. This group and their efforts demonstrate the possibility for replication on a neighborhood level. Here is a brief model of what that community land trust could look like within East Harlem (see next page):

1. The deed to this building has been under the city’s name since 1978. Mr. Heath, previously mentioned as the tenant leader of this building, expressed dissatisfaction with the building’s 17 year unresolved involvement in the TIL program. This building offers 30 residential units, and all but one tenant have expressed interested in becoming a part of a CLT and MHA.
2. This is a former urban renewal site that has been vacant over 40 years. The lot area totals 2,843 sq ft. It is an ideal candidate for CLT involvement based on its convenient location, amount of square footage, and lack of city involvement in terms of development.
3. This is another vacant building with 5 floors and 10 residential units. Instead of sitting empty, this building could be managed by an MHA and house tenants representative of the East Harlem community.
4. This building is owned by NYC as part of the TIL program, but has been vacant for over a decade with 8 residential units.

14 Community Land Trusts & Mutual Housing Associations



CONCLUSION

New York City has struggled for years to adequately house its diverse population throughout social and economic flux. The meaning of “affordable housing” has traditionally been defined - at least in practice - by city government. Likewise, related housing policies have been adopted by city officials and implemented via a top-down approach. This fact, coupled with housing availability based on free-market system, creates incentive for developers and landlords to cater to high-income individuals. And yet, because of inadequate protections (i.e. policy) and insufficient affordable housing, many low-income New Yorkers are losing their homes and community ties. Rather than continue on this trajectory, housing policy should be examined through a new lens that views housing access as a right for every individual rather than a commodity available to only those that may afford it. The character of New York City is built upon its rich communities of mixed incomes, ethnicities and experiences. If the market is allowed to drive out all the people who cannot afford expensive housing, then we risk becoming a heap of high-rise homogeneity. Instead, New York should embrace Community Land Trusts and Mutual Housing Associations as viable solutions to the lack of affordable housing in the city. With a proven track record of success, these models catalyze communities to be stewards of the land, homes and other buildings within their trust. As a result, communities live, thrive and sustain themselves indefinitely.



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