



**Testimony to the New York City Council Committee on Finance
May 21, 2020**

Good afternoon, Committee Chair Dromm and members of the Committee, and thank you for the opportunity to testify on behalf of New Economy Project. My name is Julia Duranti-Martinez, and I am the Community Land Trust Campaign Coordinator at New Economy Project, an economic justice organization that works with community groups to build an economy that works for all, rooted in racial and gender justice, neighborhood equity, and ecological sustainability. New Economy Project has worked for more than 25 years to combat inequities in our financial system and economy, and to promote cooperative, community-led development. New Economy Project co-convenes the NYC Community Land Initiative, a coalition dedicated to expanding community land trusts and deeply-affordable, community-controlled housing and neighborhood development in NYC.

New Economy Project and 14 partner organizations are part of a citywide Community Land Trust (CLT) Initiative that seeks \$1.5 million in FY2021 City Council discretionary funding. More than ever, NYC needs CLTs to provide stable and permanently-affordable housing, combat displacement, and ensure a just recovery for all New Yorkers. We urge the Council to renew funding for the CLT Initiative in NYC's FY2021 budget.

The CLT Initiative directly addresses NYC's affordability crisis, by developing community-led CLTs and permanently-affordable housing, commercial space, and other community needs, in all five NYC boroughs. With FY2020 support, more than a dozen CLTs are in formation in Jackson Heights, the South Bronx, East Harlem, Brownsville, East New York, and other low-income neighborhoods of color -- many of which are now hardest-hit by COVID-19. By addressing unaffordable and substandard housing, environmental degradation, and displacement of longtime residents and small businesses, CLTs work to address root causes of health and economic disparities, and will be crucial to prevent displacement and ensure an equitable recovery in the years to come. (See attached CLT Initiative one-pager and progress report.)

CLTs are community-controlled nonprofits that own and steward land in a community's interest, and lease use of the land for permanently-affordable housing and other local needs. By removing land and housing from the speculative market, CLTs combat displacement and protect public subsidy. The longstanding Cooper Square CLT, on Manhattan's Lower East Side, for example, stewards nearly 400 permanently-affordable homes for families earning as low as 28% AMI, and storefronts for over 20 local small businesses. More than a dozen CLTs across the city are organizing to develop mutual and multifamily housing, limited-equity cooperatives, and foreclosure prevention strategies for owners of 1-4 family homes -- as well as retail, community, and cultural spaces, community gardens, community-owned solar, and other infrastructure -- reflecting the flexibility of the CLT model.

When COVID-19 hit, CLTs quickly mobilized to address community needs, leveraging relationships and trust built through CLT organizing activities. For example, the Cooper Square CLT and Mutual Housing Association have coordinated to conduct wellness checks and ensure that residents struggling to pay

maintenance fees or rent during the COVID-19 crisis can remain in their homes; this approach is embedded in their partnership model and shared mission. Other emerging CLTs are calling for rent suspension, connecting tenants to legal assistance, and distributing food and supplies to elderly and homebound community residents -- serving as hubs for mutual aid and organizing. In all of these ways, CLTs transcend the typical landlord-tenant relationship and are especially critical in times of crisis. CLTs were essential, for example, in preventing foreclosures following the 2008 financial crash¹ and in recovery efforts after Hurricanes Maria and Irma in Puerto Rico.² CLTs are similarly needed to stem evictions, foreclosures, and speculation in the wake of COVID-19, and to contribute to a just recovery in black and brown neighborhoods hardest-hit by the pandemic.

We urge the City Council to sustain and expand its support for CLTs, through discretionary funding and in policymaking that strengthens property pipelines to CLTs for critical preservation and development. We further urge the Council to strengthen NYC's cooperative economy, of which CLTs are a part, through the Worker Cooperative Business Development Initiative and other efforts that advance democratic ownership, racial equity, and neighborhood self-determination.

With Council support, CLTs have made major strides in NYC and are redefining communities' relationship to land and housing. We urge the Council to continue building on this progress through renewed discretionary funding support, and we thank you again for the opportunity to testify.

Please do not hesitate to contact me at julia@neweconomynyc.org or 212-680-5100 for further information.

¹ See Thaden, E. (2011). Stable Home Ownership in a Turbulent Economy: Delinquencies and Foreclosures Remain Low in Community Land Trusts. Lincoln Institute of Land Policy Working Paper.

² See Algoed, L. & Hernández Torrales, M. (2019). The Land is Ours. Vulnerabilization and resistance in informal settlements in Puerto Rico: Lessons from the Caño Martín Peña Community Land Trust. *Radical Housing Journal* 1(1): 29-47



Community Land Trust Initiative

FY2021 Discretionary Funding Request

The **citywide Community Land Trust (CLT) Initiative** requests **\$1.5 million** in FY2021 City Council discretionary funding to support development of CLTs and permanently-affordable housing, commercial and community spaces. The initiative combines comprehensive community outreach, education, organizing, and legal and technical support to incubate and equip CLTs to effectively steward land and housing, and combat displacement.

In FY2021, the citywide CLT Initiative will:

- Provide 100 CLT education and organizing sessions, in multiple languages
- Engage more than 5,000 tenants, homeowners, small business owners, and other stakeholders
- Produce a start-up guide and tailored educational material for CLTs
- Provide 30 technical assistance engagements related to CLT incorporation, bylaws, property acquisition, and development
- Develop and train 10 CLT steering committees and founding boards
- Complete feasibility studies and acquire first CLT properties

Long-term goals include creating and preserving thousands of deeply- and permanently-affordable housing units; providing affordable commercial space for hundreds of small and cooperatively-owned businesses; and ensuring accountable, community-led development.



In FY2020, the CLT Initiative received its first discretionary funding award of \$855,000, to seed CLT organizing in 11 NYC neighborhoods. (See attached Mid-Year Report.)

In FY2021, we seek an increase to build on and engage additional groups in this work, reaching more neighborhoods in need of CLTs and truly affordable housing. We will deepen community organizing and community-led planning, develop grassroots CLT leadership, formalize partnerships with nonprofit developers and stakeholders, and support CLTs to incorporate, develop board and membership structures, and acquire property.

What are CLTs?



CLTs are a proven model to combat speculation and displacement, protect public subsidy, and facilitate community-led development.

CLTs are flexible and can support rental, limited-equity, and mutual housing, as well as commercial and mixed-use development and other community needs. Cooper Square CLT on the Lower East Side, for example, stewards almost 400 permanently-affordable homes for families earning as low as 30% AMI, as well as storefronts for 20 local small businesses. CLTs ensure permanent affordability of housing through ground leases that establish income, resale, and other restrictions.

For more information, please contact New Economy Project at 212-680-5100 or by email: Deyanira Del Rio (dey@neweconomynyc.org) or Julia Duranti-Martinez (julia@neweconomynyc.org).



**Community Land Trust Initiative
FY2020 Mid-Year Progress Report**

New York City is at the forefront of advancing Community Land Trusts (CLTs) to address our city’s housing affordability crisis and ensure accountable, community-led development. The citywide Community Land Trust Initiative supports 15 organizations working to create and preserve permanently-affordable housing, as well as commercial space and other community needs, through incubation and expansion of CLTs. In FY2020, City Council discretionary funding provided crucial support for grassroots CLT education, organizing, leadership development, and technical assistance. Achievements to date include:

- 12+** CLTS IN FORMATION, IN ALL FIVE BOROUGHS
- 73** WORKSHOPS & INFORMATION SESSIONS PROVIDED
- 2,100** COMMUNITY MEMBERS & STAKEHOLDERS ENGAGED
- 30** CLT LEADERS RECRUITED & TRAINED
- 40** PARTNER ORGANIZATIONS ENGAGED
- 48** LEGAL & TECHNICAL ASSISTANCE ENGAGEMENTS PROVIDED

FY2020 highlights to date include:

CHHAYA CDC has conducted one-on-one outreach to immigrant small business owners in Jackson Heights, to educate them about CLTs as a tool to preserve affordable retail space. Chhaya staff participated in a Boston site visit to learn more about mixed-use CLTs, and in coming months will engage stakeholders in CLT planning and a Queens CLT Study Group.

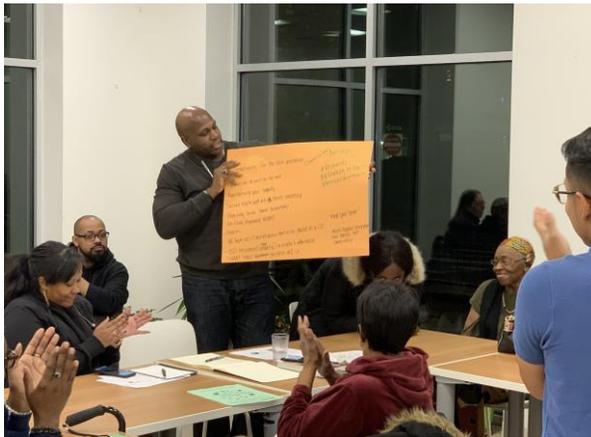


CITY COLLEGE has developed community outreach and education material about CLTs and nonspeculative housing, and provided one-on-one support to emerging CLTs.

COMMUNITY DEVELOPMENT PROJECT, INC. DBA TAKEROOT JUSTICE has provided 24 technical assistance engagements so far, on transactional legal matters related to CLT and HDFC incorporation and bylaws, and next steps for CLT formation and acquisitions. The Takeroot team also supported Northwest Bronx Community & Clergy Coalition in finalizing its incorporation of the Bronx CLT.

COMMUNITY SOLUTIONS is finalizing a governance structure for the **BROWNSVILLE CLT**. Eleven local residents have been recruited to serve on a Brownsville Neighborhood Empowerment Network (BNEN), which has held 12 CLT planning meetings and two community workshops, so far, and helped enroll 70 Brownsville residents in Housing Connect.

COOPER SQUARE CLT, which stewards 21 buildings with 380 deeply-affordable housing units, has finalized its acquisition of two rent-stabilized buildings in the Lower East Side. The CLT has hired a new Project Director and is conducting one-on-one outreach and phone banking to tenants, planning community workshops, recruiting new board members, and drafting renovation plans in connection with its new acquisitions.



CYPRESS HILLS LDC has hired a full-time CLT coordinator and is recruiting leaders to serve on a CLT steering committee. Staff have presented to local community boards and led four community-wide information sessions about the CLT, which will focus on preventing displacement and home foreclosures in East New York. Staff traveled to Boston to learn from CLT governance models and community engagement at Dudley Street Neighborhood Initiative.

EAST HARLEM EL BARRIO CLT is finalizing its acquisition of four HPD-owned multifamily buildings, with closing projected for summer 2020. The CLT has partnered with **Banana Kelly CIA** to renovate the properties and form a resident-governed Mutual Housing Association, and is hiring a full-time organizer to support community engagement and leadership development. The CLT also led 11 community workshops and visioning sessions with current CLT residents, added three new members to its board, and traveled to Boston to learn from youth organizing and creative place making at Dudley Street Neighborhood Initiative.

MARY MITCHELL CENTER FOR FAMILY AND YOUTH completed an analysis of CLT property acquisition opportunities, and met with community partners and local officials to explore potential partnerships. In the coming months, Mary Mitchell plans to launch CLT education sessions with board members and youth leaders, as well as outreach to tenants, homeowners, and small business owners.

MOTT HAVEN PORT MORRIS COMMUNITY LAND STEWARDS has partnered with **Hester Street Collaborative** to develop a financial



feasibility study for the CLT's proposed Health, Education and Arts (H.E.ARTS) Center, at the vacant Lincoln Hospital Detox Building. The CLT hosted its third annual H.E.ARTS festival to celebrate and mobilize community members and unveil a community mural in September 2019, held a public launch for its H.E.ARTS project summary in January 2020, and has been meeting with city agencies and other stakeholders to work toward the release of an RFP for the site.

NEW ECONOMY PROJECT coordinates the CLT Initiative and provides programmatic and legal support to participating CBOs. Staff have conducted 15 CLT presentations and workshops for more than 500 CBO staff and community members, local tenants, homeowners, and public officials. Staff also organized a CLT site visit to Boston for local groups and co-organized the *Affordable for Whom* housing justice convening, focused on strategies to advance CLTs and deeply, permanently-affordable housing.



NORTHFIELD LDC is working to convene a CLT Steering Committee of key stakeholders in Port Richmond and Mariners Harbor. The Steering Committee will draw on an intensive community planning process that Northfield led as part of its Brownfield Opportunity Area Study. The study resulted in a formal revitalization plan, with affordable housing identified as a primary focus for revitalization efforts.



NORTHWEST BRONX COMMUNITY AND CLERGY COALITION hired a CLT organizer; recruited 12 neighborhood leaders to a CLT steering committee; and finalized incorporation of the Bronx CLT with support from TakeRoot Justice attorneys. The Bronx CLT's founding board is identifying potential developer partners and exploring acquisition opportunities. NWBCCC has also engaged nearly 300 community members in CLT workshops, visioning sessions, and youth-led participatory property research, and traveled to Boston for peer-learning and site visits.

WE STAY/NOS QUEDAMOS held a CLT training for its staff, traveled to Boston for CLT peer-learning and site visits, and is working with City College to develop a community survey to identify CLT priorities and property acquisition and partnership opportunities. Nos Quedamos will focus on community and tenant outreach to develop CLT leaders in Melrose, and on facilitating collaboration and coordination between Bronx CLTs, in the coming months.