

**TESTIMONY FOR NYCHA'S FEDERAL RELATIONS DIRECTOR STEVEN LOVE**

NYCHA'S DISPOSITION OF LAND

**CITY COUNCIL COMMITTEE ON PUBLIC HOUSING**

**WEDNESDAY, JANUARY 26, 2011 – 1:00 PM**

**16<sup>TH</sup> FLOOR COMMITTEE ROOM, 250 BROADWAY, NEW YORK, NY**

Chairwoman Rosie Mendez, distinguished members of the Public Housing Committee, and to all the members of the City Council; Good afternoon. I am Steven Love, Director of Federal Relations, Policy and Compliance for the New York City Housing Authority (NYCHA). Joining me this afternoon are Burton Leon, Deputy Director and Patricia Barrera, Senior Deputy Director both of the Department for Development.

Serving more than 650,000 New Yorkers through its public housing and Section 8 assistance programs, NYCHA's real estate portfolio is an indispensable housing resource for low- and moderate-income New Yorkers. And as we develop the strategies that will help us secure public housing for the future, our planning must live up to our mission, remaining flexible enough to adapt in a changing marketplace. To that end, NYCHA remains committed to fostering the vibrant public housing communities that are so essential to the prosperity of our great city. As you know NYCHA operates 334 developments, which are all federally funded. Today, I would like to take the Council through NYCHA's federal obligations with regard to the disposition of land.

NYCHA's Development Priorities

The Authority has identified a series of development priorities to be considered when evaluating potential sites for disposition. Those priorities have been established within the

strict federal regulatory framework and guide NYCHA's team. Our priorities include the creation of multi-family rental housing, senior housing developments, promotion of homeownership and fostering community (i.e. schools) and commercial development. Properties disposed of must meet one or more of these purposes.

Throughout the planning process for land disposition, NYCHA consults with stakeholders connected to the development, including the local Resident Association and the resident body, local Community Boards, elected officials, as well as, advocacy groups where appropriate.

### The Need for Development

Built initially in response to a housing and financial crisis in the 1930s, NYCHA developments have not only met the needs of low- and moderate-income New Yorkers for generations, but they have also helped to stimulate the local economy.

NYCHA's mission is to ensure that this valuable resource continues to meet the changing needs of an evolving city. In some cases, a number of our developments must be upgraded and modernized to ensure their preservation. In other instances, opportunities are presented to meet new and emerging needs through disposition for housing development with public and private financing.

Congress – working with the US Department of Housing and Urban Development (HUD) – has, over time, developed statutory standards and implementing rules and regulations for the disposition of public housing property as provided under Section 18 of the U.S. Housing Act of 1937, as amended, 42 USC §1437p and the regulatory format provided in 24 CFR Part 970.

Disposition affords the opportunity to develop new housing or facilities that better serve existing residents or allow for more New Yorkers to take advantage of these benefits.

### Section 18

Disposition of public housing property requires review and approval by HUD pursuant to Section 18. Section 18 includes information on fair market value, an environmental assessment, commensurate benefits to the community and consultation conducted with residents, Resident Advisory Board, elected officials, and the local community and NYCHA board authorization to submit the application. HUD regulations require that NYCHA seek approval for the disposition of public housing property only following extensive consultation with the affected Resident Associations, the local representative to the Citywide Council of Presidents, the local community and elected officials.

Where City approval of a discretionary land use action is required, NYCHA adheres to all mandated public review processes as outlined by the Uniform Land Use Review Procedure commonly known as ULURP.

### NYCHA's Annual Plan

NYCHA is also required to submit a Public Housing Agency Plan (Annual Plan) to HUD for approval. The Annual Plan is a comprehensive compilation listing policies, program operations, and strategies to be undertaken to meet local housing needs and goals. NYCHA includes all prospective land dispositions within the Annual Plan. NYCHA develops the Annual Plan through extensive consultation with the Resident Advisory Board and residents in NYCHA's public housing and those assisted under the Section 8 program. Issues raised in the

Annual Plan are subject to the submission of written comments, to five town hall meetings with senior NYCHA staff and a city-wide public hearing. All comments, objections and recommendations are considered by the Authority and must be addressed in the final Annual Plan submitted for HUD review and approval.

While the Annual Plan requires a listing of properties intended for disposition, the Section 18 application and approval process for disposition of NYCHA property is an additional requirement that must also be approved by HUD.

#### Consulting with the Community

NYCHA is required to follow the statutory format of Section 18 in disposing of public housing land. Furthermore, as we have in the past, NYCHA goes above and beyond what the regulations require. Through the Plan to Preserve Public Housing, our planning must better understand customer needs, financial constraints, the environment, and the strategic use of valuable assets, like land. We are open and willing to work with all interested parties as regards land disposition. We look forward to further discussions with the Council and other elected officials on this very important topic.

Thank you and we look forward to your questions.