

45 Broadway | 22nd Floor | New York, NY 10006 (212) 967-0322 | <u>www.unhny.org</u>

Submitted to the Charter Review Commission Testimony by United Neighborhood Houses (UNH) October 31, 2018

Settlement Houses and UNH

For 100 years, United Neighborhood Houses (UNH) has been the keeper of New York's settlement house movement and the membership organization for settlement houses. We mobilize our members and their communities to advocate for good public policies, and we promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers.

A settlement house is a neighborhood-based organization that serves people of multiple generations and offers programs that provide skills, education, social services, health, arts, and connection to community and civic engagement opportunities. These programs build bonds, create networks, promote advocacy, and develop connections across generational, cultural, racial, and economic divides both within their organizations and in the wider community.

UNH's vision is that New York City remains affordable and equitable for all New Yorkers with diverse opportunities available to all. We submit this testimony to recommend the New York City Charter Review Commission consider two majors areas for reform through its process:

- Making New York City a more accessible place for all New Yorkers to live and thrive by reforming land use processes to prioritize equitable distribution of both undesirable and desirable land uses; and
- Strengthening and sustaining New York City nonprofits by reforming New York City's nonprofit
 contracting process, allowing them to continue to contribute to the economic vitality, health,
 and cultures of their communities.

Land Use Process Reform

New York City's land use process plays a critical role in the lives of New Yorkers and can determine everything from what a neighborhood looks like to the resources to which it has access and how affordable it is.

Through this Charter Review Commission, New York City has a chance to reform critical land use processes to ensure:

- Fair distribution of resources and development;
- Enforceable commitments;
- Integration without displacement;
- Transparency and accountability; and
- Real community power and ownership.

Comprehensive Planning Process

We join fellow advocates, including our partners at the Association for Neighborhood and Housing Development (ANHD), in calling for reforms that **emphasize real community input and ownership in land use decisions**. We support a comprehensive planning framework that produces more consistent results across the City and disrupts the existing dynamic wherein low-income communities of color are asked to shoulder the burden of New York City's most undesirable land uses.

With a particular eye towards the recent large-scale "neighborhood rezonings," we have seen some of the shortcomings of the Uniform Land Use Review Procedure (ULURP). UNH has members in each of the neighborhoods targeted for rezonings in recent years, and in each instance this process has failed to fully account for local concerns. Along with our partners, we affirm that:

- The City should use a comprehensive and geographically broad planning lens when determining where to encourage housing development, and it should contemplate a wide range of neighborhoods for rezoning in order to fairly distribute resources; and
- In instances where neighborhoods come up with alternative plans to those proposed by City agencies, there should be formal opportunity for those plans to be reviewed concurrently with City-sponsored plans through the official process.

Unequal input inevitably leads to unequal outcomes in the planning process, and a comprehensive planning process can help to curb this tendency going forward.

Land Use and New York City Housing Authority

Settlement houses have partnered with the New York City Housing Authority (NYCHA) since it was established in the 1930s. There is a natural complement between the settlement house model and that of public housing, and our members remain deeply embedded in public housing in New York City. Settlement houses offer services to residents of all ages, offering early childhood education and running Cornerstones and senior centers.

At a time when New York City is facing an affordability crisis, NYCHA's permanently-affordable, stable housing stock is an absolutely critical resource providing relief and security to 400,000 New Yorkers. Unfortunately, after years of Federal and State divestment, NYCHA has an immense capital improvement backlog and severe infrastructure problems, such that the quality of life for residents has deteriorated to the point of becoming a public health crisis. In order to access new revenue streams, NYCHA has taken unprecedented steps, including allowing private companies to develop market-rate housing on NYCHA-owned land (infill) and the transfer of public housing assets to private corporations through the Rental Assistance Demonstration program (RAD).

As NYCHA has moved forward with infill and RAD, they have done so with limited input from outside stakeholders and their tenants. Settlement houses and other community-based groups informally support NYCHA by communicating with residents, convening meetings, and helping to manage the transition of services, however, there is no formal opportunity for these groups to share ideas on how to improve the process and proactively contribute.

All too often, these organizations—that are deeply embedded in NYCHA buildings and the communities they serve—are only asked for feedback once the plan to convert a development has been cemented and the developers chosen. From RAD conversions, which are permanent asset transfers, to infill, which often offer developers 99-year leases, it is absolutely necessary that the City take the time to get this right the first time. The only way to ensure this happens is to **open up the conversations and solicit feedback from a wide variety of stakeholders and experts**.

The Community Development Project (CDP) has shown that NYCHA developments are subject to local land use regulations, so concerns with this process can be addressed through the Charter revision process. NYCHA, as a municipal housing authority, is organized as a public corporation under New York's Public Housing Law. Public Housing Law § 155 specifically states that all public housing "projects shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable in the municipality in which the project is situated." NY CLS Pub. Hous. § 3(2) (2012).

Through the Charter review process, the Commission should work with advocates to design reforms to promote transparency, community input, and accountability to what has otherwise been an opaque process.

Nonprofit Contracting Reform

Government relies on settlement houses to carry out a wide range of essential human services for New Yorkers. We work across generations with programs promoting the arts, cultural initiatives, early childhood education, adult literacy, services for older adults and workforce programs. UNH therefore has a vested interested in improving the procurement and contracting processes that governs this partnership.

We join our partners at the Human Services Council (HSC) in calling for reforms to improve the procurement of human services contracts through this Charter Review Commission by:

- Increasing transparency and accountability by providing the public more access to information on the timeliness of contract registration;
- Reducing the turnaround time on capital appropriations for nonprofit grantees by requiring that these appropriations should happen at least as quickly as program appropriations;
- Expediting the contract registration process by setting a 60 day time limit for the entire
 process, rather than the existing 30 day timeline for the Comptroller to approve or reject
 contracts, with no imposed or enforced timeline on any other step of the process;
- **Including a sample budget with each procurement** that demonstrates how the City arrived at the rates proposed;
- Surveying current vendors to receive information on rates, deliverables, and outcome measurements when developing a request for proposals for a set of contracts that are expiring;
- Providing reimbursements for interest payments in instances where nonprofits take on costly loans and lines of credit in order to provide services while waiting for contract payments from the City (with this amount being calculated beginning from the day the time limit for contract registration has been exceeded); and
- Requiring that the Procurement Policy Board (PPB) meets quarterly and hold public hearings
 where nonprofits and other members of the public can get a clearer understanding of their
 decision making process.

These changes would have a significant impact on New York City's complex human services delivery system, and ensure that the nonprofit ecosystem remains strong.

Conclusion

In order for New York to remain affordable, equitable, and fair for all New Yorkers, we must take action now. Since the last major revision to the Charter in 1989, New York City has changed dramatically. In the last decade alone, rents have risen at twice the pace of wages, and today more than half of the renters in New York City are rent burdened, or paying more than 30% of their income towards housing expenses. From the land use process, which has a direct impact on the affordability of neighborhoods, to the settlement houses and nonprofits that provide services to New Yorkers who are struggling to make ends meet, the Charter Revision Commission has an opportunity to enact meaningful reforms that help to ensure that New York City remains affordable, equitable, and fair for all New Yorkers.

UNH would be happy to work with the Charter Review Commission and answer questions on any of the recommendations contained in this testimony. Please reach out to J.T. Falcone, Policy Analyst at 917-484-9322 or ifalcone@unhny.org.