

Testimony of Brendan Cheney, New York Housing Conference

New York City Council Committee on Housing and Buildings
Oversight Hearing - Homeownership Opportunities and Development Programs

May 3, 2023

Good morning. My name is Brendan Cheney. I am Director of Policy and Operations at the New York Housing Conference (NYHC). I would like to thank the Committee Chair Sanchez as well as the other members of the City Council Committee for the opportunity to testify today.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for all New Yorkers.

Today we are testifying about the importance and need for more rigorous action from the Department of Housing Preservation and Development on affordable homeownership. New York City has been producing far too little affordable homeownership and must step up its efforts.

In New York City and nationwide we have a history of racial discrimination that deprived many black families the benefits of homeownership. The evidence that this still impacts us is in [ongoing disparate homeownership rates](#): while 43 percent of white households own their homes, only 27 percent of Black households and 17 percent Hispanic households own their homes in New York City. This historic difference is one key reason why there remains a [large racial wealth gap](#), where the median white family has \$184,000 in wealth while the median Hispanic family has \$38,000 in wealth and the median black family has \$23,000. For decades Black Americans were denied or hindered from the wealth-building opportunity of homeownership.

Last year Mayor Adams committed to increasing affordable homeownership during his administration. In his [Housing Our Neighbors housing blueprint](#), Mayor Adams said the city would increase opportunities for affordable homeownership by expanding downpayment assistance and building more affordable homeownership options as well as creating new models for shared equity and community ownership. We support these goals.

But so far his administration has not delivered; affordable homeownership development remains woefully inadequate under Mayor Adams. In calendar year 2022, the Adams administration produced just 144 units of new affordable homeownership housing. And if you exclude downpayment assistance and other direct assistance programs, HPD produced just 49 units of new construction homeownership housing. Both numbers represent a tiny share of HPD's more than 8,000 units of new construction affordable housing each year.

	Affordable Homeowner New Construction Units	Affordable Homeowner New Construction Excluding Downpayment Assistance Units
2014	295	126
2015	163	71
2016	197	93
2017	149	44
2018	241	173
2019	73	12
2020	137	104
2021	161	110
2022	144	49

In addition, NYHC analyzed recent production data and compared it to previous RFP announcements for new affordable homeownership. We found that of more than 550 units of new affordable projects including homeownership units announced in 2017 and 2018, NYHC could find just 33 of those units closed on financing.

This merits further investigation, but these signs show that the city moving slow and is committing insufficient resources to expand affordable homeownership options.

Increasing affordable homeownership is one of the most powerful ways to repair the damage of previous discriminatory housing policies and expand wealth-building opportunities to more New Yorkers. We look forward to working with the City Council, our partners and HPD to expand affordable homeownership opportunities.

We are happy to answer any questions.