

COUNTY OF SUFFOLK



WELFARE TO WORK COMMISSION
of the Suffolk County Legislature

AFFORDABLE FOR WHOM?
***Creating Housing for Low and Moderate
Income People in Suffolk County***

**A Report to the Suffolk County Legislature
By The Welfare to Work Commission
Of the Suffolk County Legislature**

**Based on Public Hearings Conducted by the Commission,
November 2nd, 2006 (Hauppauge Legislative Chamber)
November 6th, 2006 (Riverhead Legislative Chamber)**

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“Why Not in Their Communities?”

Sherome Ward is a wife and mother of three children. Her husband is employed; she is disabled. Together they have been homeless in Suffolk County. Sherome summarized the underbelly of fear and prejudice that prevents Long Island from resolving its critical shortage of affordable housing for struggling families. Testifying at the November 2nd, 2006 Welfare to Work Commission hearing, *Affordable for Whom? Creating Housing for Low and Moderate Income People in Suffolk County*, Sherome spoke of people who say that affordable housing should not be “in my community.”

“Why not in their communities?” Sherome asked.

“We’re human beings just like them. I have a one year old daughter who has just started walking. Most beautiful little thing that you ever want to see... I am a mother and a wife. Why not in their communities? Why not give my family a home? We’re not all drug dealers, we’re not all strung out, we’re all not criminals. We’re all not bad people. We are people in need. ...All we ask for is help to get the things that we need for our children.”

The Welfare to Work Commission of the Suffolk County Legislature was created in 2003 to advise the Legislature on policies related to welfare reform. At the Commission’s May 15th, 2006 meeting, Suffolk County Department of Social Services Commissioner Janet DeMarzo noted that the County’s housing shortage was one of the most critical issues facing people on welfare and those transitioning from welfare to work. Understanding that a typical former welfare client in Suffolk is working at a \$10.00 an hour job (\$20,000 a year) in a County where it requires at least a \$24.00 an hour job to afford the Fair Market Rental for a 2 bedroom apartment (National Low Income Housing Coalition, 2005), the Commission voted to hold public hearings on the County’s housing crisis for low and moderate income people.

The Commission’s decision to hold public hearings was also motivated by the fact that public opinion polls have shown approximately 70 % of Long Islanders now see the need for affordable housing while almost two thirds of those polled continue to resist the creation of affordable housing in their own communities. (*Poll: Housing Crunch Hits Home, Newsday*, January 27, 2005.) And, as public conversations about affordable housing expand, the focus of this public-policy issue is narrowing to those households earning between 80% and 120 % of the area’s median income of \$91,000 a year, that is, those earning between about \$70,000 and \$120,000 a year who cannot afford Suffolk’s high housing costs.

This important shift in the affordable housing debate to include young workers and professionals should not ignore the approximately 270,000 low and moderate-income Suffolk households (56 % of all households) who earn under \$70,000 a year and will

almost certainly bypass the 129,419 very low-income Suffolk households earning under \$40,000 a year. Most disturbing, the 54,194 Suffolk households earning less than \$20,000 a year will be virtually shut out of the County's affordable housing. (*The Long Island Index*)

For these reasons, the Welfare to Work Commission voted on August 7th, 2006 to hold two public hearings, one in Hauppauge and one in Riverhead, with these goals:

1. To tell the stories of low and moderate income people and agencies in Suffolk County struggling with our critical housing shortage.
2. To provide expert testimony on the severity of the housing shortage.
3. To recommend to the Suffolk County Legislature concrete steps that the County, town and village governments can take to provide decent and affordable housing to the full range of Suffolk households earning under 120 % of the median area household income of \$91,000 a year.

To prepare for the hearings, the Commission formed a Housing Hearing Subcommittee composed of the following Commission members and housing experts who served as consultants:

- Commissioner Peggy Boyd, Subcommittee Chair, Family Service League
- Commissioner Idania Aponte, The INN
- Commissioner Cheryl Keshner, Nassau/Suffolk Law Services
- Commissioner Richard Koubek, Catholic Charities
- Commissioner Kathy Liguori, Tutor Time
- Consultant Peter Barnett, Wyandanch Homes and Property Development Corporation
- Consultant Rosemary Dehlow, Community Housing Innovations
- Consultant Peter Elkowitz, Long Island Housing Partnership
- Consultant Lauren Hill, Long Island Association
- Consultant Joan Noguera, Nassau Suffolk Coalition for the Homeless
- Consultant L. VonKuhlen, Community Development Corporation of Long Island
- Consultant Diana Weir, Long Island Housing Partnership

The Subcommittee recommended six focus questions for the hearings:

1. Who is hurt by the housing shortage?
2. What are the barriers to affordable housing?
3. What types of housing do we need?
4. What types of housing are now available?
5. What types of housing are possible?
6. What can Suffolk County, town and village governments do to create this housing?

With the assistance of the Office of the Clerk of the Legislature, Tim Laube, letters of invitation were generated to federal, state and county government officials, agencies contracted with the Department of Social Services as well as other social service and affordable housing organizations. The hearings proceeded as scheduled on November 2nd

and 6th, 2006. About 100 people attended the Hauppauge hearing and another 40 attended the Riverhead hearing, each held in the respective legislative chamber. Forty seven people, including County, town and village government officials, non-government community organizations and citizens affected by the housing crisis, provided nine hours of testimony, recorded in a 461 page verbatim transcript. In addition, four people submitted written testimony.

What follows is a summary of the major findings that emerged from the hearings as well as specific recommendations for Suffolk County government action to create affordable housing for low and moderate income people.

How Severe Is Suffolk's Housing Shortage?

The hearings opened on November 2nd with testimony by two invited, affordable housing experts: Dr. Pearl Kamer, Chief Economist of the Long Island Association (LIA) and author of numerous studies on Long Island's housing crisis, including the Long Island Housing Partnership's 2003 study, *Lack of Affordable Housing: Prescription for Economic Disaster* and Dr. David Muchnick of Sustainable Enterprise and author of the 2003 New York AFL-CIO study, *The Crisis of Affordable Housing for Long Island's Working People*. Here are some of the indicators of Suffolk's housing crisis reported by Dr. Kamer and Dr. Muchnick:

Priced Out of the Market

- Between 2000 and 2005, Suffolk County experienced a “steep escalation” in home prices which more than doubled, from a median price of \$190,000 to \$348,983. (Kamer)
- While the escalation in home prices has slowed in 2006, “the five-year run-up in home prices has priced most potential home buyers out of the market. Assuming a 10% down payment, and a mortgage equivalent to three times a buyer's annual household income, the purchaser of a median priced Suffolk home would have needed an annual household income of \$125,000 [in 2005.] This means that 75% of Suffolk's current households can't afford its housing” because they earn under \$125,000 a year. (Kamer)
- Another way to look at affordability is that no household should purchase a home worth more than three times their gross annual income. Thus a household earning the 2005 Suffolk median income of \$77,000 should buy a home valued at no more than \$257,000. Yet, only 20% of Suffolk's 396,000 owner-occupied homes were valued at \$257,000 or less; “80% of Suffolk's housing stock is unaffordable to current residents.” (Kamer)
- Given starting salaries for new professionals on Long Island, ranging from \$30,410 for chefs and head cooks to \$49,450 for registered nurses, “even if [they] have two wage earners per household at these wages, [they are] not going to have an annual income of more than \$80,000 a year” and at least 80% of them or 40,000 households will require affordable workforce housing in the next decade because they cannot purchase a market-priced home. (Kamer)

- This disparity between incomes and Suffolk’s high housing costs explains why 37.2% of Suffolk homeowners with mortgages and 41.5% of Suffolk renters live in unaffordable housing, that is, they are paying over 35% of their monthly incomes for shelter in 2005. (Kamer) Note: The usual measure of affordability is that shelter costs should account for no more than 30% of monthly income. Because of Long Island’s high housing costs, Dr. Kamer adjusted the shelter affordability measure to 35% of monthly income in her 2003 report, which she continues to use.
- Over the next decade, Suffolk will need between approximately 65,000 (Kamer) and 69,500 units (Muchnick) affordable rental and owner-occupied housing units.

The Low-Wage/Young Workers’ Crunch

- The housing shortage is even more severe for low-wage workers, “retail sales clerks making \$6.75 an hour or home health aides or janitors making \$8.00 an hour...” who have to work extra hours or two jobs, double or triple up with relatives or friends or live with parents because of Suffolk’s shortage of affordable rental apartments. (Muchnick)
- Rental units account for only 20 % of Suffolk’s total housing stock, compared with Westchester County where rental units account for 35 % of the total housing stock. (Kamer)
- To maintain an affordable rent at 30% of monthly income, Suffolk households earning under \$40,000 a year should not pay more than \$945 a month on rent. Yet, in 2000 there were only 48,000 apartments with rents below \$945 in Suffolk County to accommodate some 129,000 Suffolk households earning under \$40,000. (Muchnick and *The Long Island Index*)
- As a result of Suffolk’s housing shortage, “in the five years between 2000 and 2005, the number of persons aged 25 to 34 on Long Island declined by 65,000. They are choosing to start their careers elsewhere because they cannot afford our housing” (Kamer) “I’ll put it point blank: Their choice is to relocate off the Island or stay trapped with their parents for a much longer period of time than other 20 to 30 year olds living elsewhere in New York State.... In 2000, more than half of Suffolk County’s young adults were still living with their parents” compared with 35% everywhere else. (Muchnick)

The Housing Pressures on Businesses

- Suffolk’s high housing costs and shortage of affordable housing are creating an exodus of young workers which is why “our businesses can no longer find the workers they need to grow their jobs. This explains why in the 12 months ending September, Long Island gained only 3,000 jobs.” (Kamer)
- Less well known and calculated are “productivity losses that employers incur because their employees are working double shifts or two jobs or more” and are “exhausted from the efforts they need to...pay these higher” housing costs. (Muchnick)

Ironically, about an hour after Dr. Kamer and Dr. Muchnick reported their findings on November 2nd, their data were given a human face when Stacey Clark, Director of Family Services for Habitat for Humanity of Suffolk, testified. Ms. Clark prefaced her remarks by saying, “I’m one of the many still living with my parents. I can’t wait to get out.”

This prompted Welfare to Work Commissioner Robert Greenberger to respond, “We know you would like to get out as soon as you could, Stacey. [Your comments are an example] of the brain drain that is on Long Island.” In written testimony submitted to the Commission, Marge Rogatz, President of Community Advocates, Inc., reported that “census and other data” confirm that “an estimated 384,000 young adults, ages 20 to 34, are living with their parents” on Long Island and that this age group declined by 20% per year over the past decade, a decline “four times the national rate.”

Commission Chair Dr. Richard Koubek, noting that Stacey Clark was raised and educated on Long Island, observed that it costs taxpayers about \$15,000 a year to educate a child in the public schools on Long Island. Multiply \$15,000 by 12 years for a total cost of \$180,000 to educate a Suffolk child. “And then you leave. That is a major investment. We lose the investment” when our young people move away.

Dr. Koubek also noted that several years ago, then Attorney General Eliot Spitzer speaking before the leadership of Sustainable Long Island, warned that computer companies - the backbone of Long Island’s economic revival after the decline of the defense industry in the 1980s – were beginning to relocate from Long Island to the lower Catskills area because of our high housing costs. Michael Deering, from the Long Island Association, added, “The question came up [this morning,] at what point does our economic situation collapse?” because of the housing shortage. “I can’t give an answer to that, but we are seeing the stresses on business.... There is a recognition that without the housing stock, we’re going to be at an economic disadvantage. ... You need people to fill the jobs to be able to grow your economy.”

What Is the Human Toll of Suffolk’s Housing Shortage?

Two other expert witnesses opened the housing hearing on November 6th: Dr. Suzanne Michael and Dr. Sarah Eichberg who authored the 2006 Adelphi University *Vital Signs* study. Here are some of the human consequences their *Vital Signs* study revealed about Suffolk’s affordable housing shortage.

What Is Suffolk’s “True” Poverty Level?

- The federal poverty level (FPL) in 2006 for a family of four is \$20,000 a year which is the typical salary that people in Suffolk are earning when they leave welfare to work at a \$10.00 an hour job. Using the federal guideline, about 6% of Suffolk households live below the poverty level.
- Because of Suffolk’s high cost of living and especially its high housing costs, the “true poverty level” for Suffolk County is 50% of the area median income for a family of four, or \$45,000 a year in 2006.
- About 22% of Suffolk households earn under \$45,000 a year and are poor, using the *Vital Signs* definition of poverty.
- “In fact, the Economic Policy Institute suggests that a family of four living on Long Island needs about \$61,000 a year to meet monthly expenses. By that we mean transportation, housing, food, child care, taxes. And that leaves nothing left for savings and for emergencies.”

What Are the Family Strains Caused by Our Housing Shortage?

- With 50 % of Suffolk’s renter households paying more than 30% of their monthly income for shelter, i.e., living in unaffordable rental units, “in order to meet needs in one area, say housing, they need to forego meeting needs in another area, say food or nutrition...medical care, prescription drugs, heating for their homes in winter.”
- These difficult choices caused by Suffolk’s high housing costs explain why a 2006 study by Long Island Cares and Island Harvest found 259,400 people receiving food from these organizations last year. Half the surveyed food pantries and one third of the soup kitchens turned away clients in 2005 due to the lack of food.
- One study of state health insurance programs that are using sliding scale premium payments to accommodate low-income families, found that many people withdrew from these plans when the premium costs rose to just 5% of their income. While there is no specific data to correlate high rents and withdrawal from a health plan, it appears that 5% is a tipping point for individuals and families to re-calculate what they can and cannot afford given their fixed expenses, e.g., rent.
- The doubling and tripling of renters living together, caused by high rental costs and the shortage of rental units, creates a host of negative consequences, including: fire hazards; uncollected trash; water and sewage problems; increases in pediatric asthma; anxiety; depression; hypertension; insomnia; headaches; gastrointestinal problems. Many of the medical problems go untreated because the family has dropped health insurance.

These *Vital Signs* study conclusions about the human toll of Suffolk’s affordable housing shortage were corroborated by other witnesses who testified at the hearings. Edward Hernandez, Deputy Commissioner of the Suffolk County Department of Social Services (SCDSS) noted that during 2005, the homeless family caseload decreased from 376 to 308 families and was further reduced to 276 through September, 2006, for a total reduction of 27% since 2004. Nevertheless, Mr. Hernandez concluded, “the major obstacle to reducing homelessness continues to be the lack of affordable rental housing.”

Welfare to Work Commissioner Cheryl Keshner commented that “while ... the caseloads have been reduced, it doesn’t mean that those people have found housing....Many have doubled and tripled up, left emergency housing or have been sanctioned and had nowhere to go.”

Eileen Anderson, Senior Vice President of the Community Development Corporation of Long Island, which administers Section 8 vouchers in Suffolk County, provided graphic testimony regarding the acute shortage of affordable rental housing. “In May, 2006, for two weeks, we opened up our [Section 8] wait list [because we received 250 additional federal Section 8 vouchers.] We had 7,000 applicants come into us in that two week period of time” for the 250 Section 8 vouchers.

Joan Noguera, Executive Director of the Nassau Suffolk Coalition for the Homeless, testified about a disturbing trend their data tracking system has picked up. “In 2005, 31% of people calling in to the coalition [for help] earned between \$1,000 and \$2,000 a month [about \$18,000 a year]; 35% made between \$500 and \$1,000 a month [about \$8,400 a year.] In 2006, 21% of people calling were earning between \$1,000 and \$2,000 a month and a full 50% were earning between \$500 and \$1,000 a month.” Ms. Noguera concluded, “This worries us tremendously because what we see happening is ...people are losing their jobs....As their income drops, it is harder for them to hold on to their housing.”

Two representatives from the faith community who serve Suffolk’s poor provided their perspectives on the suffering caused by our housing shortage. Carolyn Gumbs from the Long Island Council of Churches’ Riverhead Food Pantry reported at the November 6th hearing that they provide rent and mortgage assistance, prescriptions, food, clothing, electric and fuel assistance. “We serve between 500 and 625 families a month....Our total has gone up...200% each month [over 2005] because [of] rents and mortgages.... People are trying to make ends meet, some not even that.”

Sr. Ann Kathleen, Coordinator of the St. John the Evangelist Outreach Center in Center Moriches, testified that she confronts Suffolk’s housing shortage every day. “I deal with homeless people. I deal with people who are living in illegal apartments... In fact, it is actually dangerous for some of them because of electrical problems.... People need shelter just to live a dignified life. We just can’t take it to the talking stage that has been going on for five years. We have to have some action” to create the affordable housing that “is desperately needed.”

Talk Into Action: What Government Housing Programs Are Working in Suffolk?

While development of some 65,000 to 69,500 units of affordable housing in Suffolk over the next decade is a daunting challenge, a number of government agencies testified to the Commission about progress that is being made.

- **Suffolk County Department of Social Services** Deputy Commissioner Edward Hernandez, as noted above, reported a 27% reduction in the homeless family caseload, since 2004. In addition:
 - The caseload for homeless singles fell by 46% since 2003 due to the creation of single shelters, homeless prevention and supportive services.
 - During 2005, 391 families were moved from emergency to permanent housing with that number reaching 346 as of September, 2006.
 - Through the Linkage Center, that provides overnight placement for the homeless, dependence on motel rooms fell from 95 placements in 2005 to zero in 2006.

- **Suffolk County Department of Economic Development and Workforce Housing** administrators Joseph Sanseverino and Marian Zucker reported a number of innovative affordable housing initiatives that have led to the creation of about 1,000 units, including:
 - The Workforce Housing Program, funded through the County’s capital budget, has over the past several years provided \$6 million in funds to acquire land and construct rental and ownership housing, with a minimum requirement that at least 20% of the units be affordable to households earning less than 120% of median income. To date, 156 units have been created. (Sanseverino)
 - The County’s Land Transfer Program has provided over 500 parcels of land taken for tax foreclosures to municipalities, at no cost, for the development of affordable housing. These units are targeted to households earning less than 80% of median income, i.e., less than \$72,800 a year. The County also oversees three federal housing grants totaling \$6.2 million: Community Development Block Grants; an emergency shelter grant and the Affordable Housing Development grant for new housing construction, rehabilitation and home-buyer assistance programs. (Sanseverino)
 - The Workforce Housing Commission, created in 2004 by Suffolk County Executive Steve Levy and the Suffolk County Legislature, has brought together developers, town officials, bankers, environmentalists and other stakeholders to provide concrete recommendations for the Department of Economic Development and Workforce Housing, the Department of Public Works, the Department of Health and the Division of Real Estate to expedite the creation of affordable housing, including:
 - One of the key actions has been fast-tracking through the County approval process 650 units of affordable housing over the past 18 months. This fast tracking has been estimated to reduce the approval process by four to five months and save each development upwards of \$1 million. The Department fast tracks the approval process to cut red tape and delays that arise out of the Suffolk County Department of Health, the Department of Public Works, Division of Real Estate and local town and village building and planning departments. (Zucker)
 - The Workforce Housing Commission also recommended greater densities and infrastructure development in downtown revitalization projects, which are being pursued in a number of communities such as: Westhampton Beach Village; Patchogue Village; the Wyandanch railroad station area; a senior tax credit development in the Town of Brookhaven. (Zucker)
 - Another Workforce Housing Commission recommendation being implemented is use of Transfer of Development Rights in which the County strips off the development rights from an open-space preservation and transfers them for the creation of workforce housing. Currently, 20 units have been banked and the Department is working with the Long Island Builders Institute to identify actual sites where they can be used. (Zucker)

- **Town of Huntington** Community Development Director Douglas Aloise reported several affordable housing initiatives, including:
 - “Take Back the Blocks” program in which the Town purchases homes from absentee landlords and rehabs them for affordable housing.
 - The construction of several affordable housing complexes including 51 affordable ownership units at High View and 88 units at Millennium Hills (44 ownership, 44 low-income rentals.)
 - The Town also requires a 20% set aside for affordable units if a parcel of land is down zoned for density (more units per acre). The builder may contribute to the Town’s Affordable Housing Trust Fund (currently containing about \$2 million) if s/he chooses not to create the affordable units.

- **Town of Islip** Commissioner of Planning and Development Eugene Murphy reported on the Town’s record of developing 3,000 units of affordable housing since the 1970s in vacant strip commercial centers, through the removal of obsolete homes and through downtown redevelopment. Among the Town’s strategies have been:
 - Requiring 10% set aside for affordable units if there is a re-zoning of a property for the creation of apartments.
 - An inclusionary zoning requirement with about a 20% set aside for affordable housing (town houses and apartments) in developments with increased density such as Oakdale and Central Islip.

- **Town of East Hampton** Director of the Department of Housing and Community Development Thomas Ruhle reported on a number of affordable housing programs in East Hampton. Using a program similar to land trusts, the town has purchased land and providing a 99 year lease to people who buy one of the affordable homes (8 completed, 10 more planned) on the Town’s land. The owners pay taxes on the home and the appreciation value of the home is capped by the Consumer Price Index to maintain affordability. The Town is also considering legalizing 100 accessory apartments with a cap of 20 units per school district.

- **Village of Patchogue** Executive Director of the Community Development Agency, Marian Russo, described the Copper Beech project which will contain 80 units of ownership housing, 40 of which will be workforce housing; 20 of these units will be made available to people earning less than 80% of median income. This project is part of Patchogue’s downtown revitalization and has won the support of village and county officials and the residents of Patchogue who just re-elected the sponsors of Copper Beech.

What Still Needs to Be Done?

Enhancing the Public Debate

When the Welfare to Work Commission planned the two public hearings on Suffolk County’s affordable housing shortage, the Commissioners were very aware that, over the past five years, numerous studies had been completed and public discussions are well underway on this important but contentious issue.

The Commission hoped to expand the public debate toward the housing needs of low and moderate income households, which the federal government defines as households earning under \$70,000 a year. The Welfare to Work Commission has a special concern for households:

- Earning under 50% of median income or \$45,000 a year,
- Headed by people who have left welfare to work at jobs that pay, on average, \$10.00 an hour or \$20,000 a year.

Much of the testimony presented on November 2nd and November 6th accomplished this enhancement of the conversation.

Recognizing Innovative Programs

The Commission also sought to highlight innovative programs that provide affordable housing to the full range of households earning under 120% of median, with special emphasis on those earning under 80% of median. Again, there was a significant amount of testimony that accomplished this goal. Nevertheless, there was broad consensus that only a small portion of Suffolk's affordable housing needs have been met.

Acknowledging the Work Ahead

While there is no definitive County inventory of housing units created and maintained as affordable, several factors suggest the enormous amount of work yet to be accomplished.

Eugene Murphy testified that Islip has created 3,000 new affordable housing units. No other Suffolk town comes close to matching Islip's affordable housing record.

Huntington has developed about 1,400 units since the 1960s (Huntington Township Housing Coalition, 2005); Smithtown, according to testimony by Frank DeRubeis, Director of Planning and Community Development, has created about 750 units. While data were not readily available to the Commission, if the remaining western townships – Babylon and Brookhaven - fell between Huntington and Smithtown at an average of 1,000 units each - they may have added about 2,000 new units.

According to testimony by Thomas Ruhle, East Hampton has created about 108 new units since the 1980s. The Riverhead Housing Department reports on its website 200 new units since the 1980s. The Southampton 1999 Comprehensive Plan identified only nine new units. No data were available for the Southold and Shelter Island. A conservative estimate would be that the five eastern townships may have added about 400 new units.

The new Suffolk County Department of Economic Development and Workforce Housing has created, at most, 1,000 units countywide. The Long Island Housing Partnership, the premier not-for-profit agency creating new affordable family housing, has developed 492 Suffolk units. (LIHP Website) Catholic Charities, the major provider of senior affordable rental housing, has created 781 Suffolk units. (Catholic Charities website) The Community Development Corporation of Long Island has created 1,391 units. (L. Von Kuhen, CDC-LI Vice President)

Other not-for-profit agencies, as reported by their executive directors or in testimony at the Commission's hearings, created or rehabilitated additional units of affordable owner-

occupied and rental housing, including: Habitat for Humanity (108 units); Community Housing Innovations (77 units); Wyandanch Homes and Property Development Corporation (27 units).

Thus, not-for-profit agencies have added about 2,800 affordable owner-occupied or rental units to Suffolk's housing stock. Some of the not-for-profit units were created with the cooperation of Suffolk County and may be included in the 1,000 units identified above by the Department of Economic Development and Workforce Housing.

Absent an accurate, official affordable housing inventory, this very rough housing inventory "guesstimate" suggests that within Suffolk County, at best, only about 10,000 units of affordable housing have been created since the 1960s. Some of these units may no longer be affordable due to the rise in market values. Most of the units created have been home ownership, rather than rental housing.

This unacceptably low rate of affordable housing production explains why Dr. Kamer and Dr. Muchnick estimated that the County needs to create between 65,000 and 69,500 new units in the next ten years.

Recommendations for Action

Perhaps the most important goal of the Commission's hearings was to gather specific recommendations as to what actions can be taken in Suffolk, by County, town and village governments and private agencies, to foster the construction of the 65,000 to 69,500 units of affordable housing that will be needed in the next ten years. What follows are some of the major recommendations to translate public talk about affordable housing into the actual creation of both rental and ownership units. The recommendations focus primarily on the construction of new affordable housing or the rehabilitation of deteriorated housing rather than on programs that assist low and moderate income people to access housing such as "first time homebuyers" assistance. The recommendations are grouped by barriers to the development of new affordable housing: local opposition; cumbersome approval processes; resistance to housing for low-income people.

Barrier #1: Local Opposition to Affordable Housing

The Commission's invitation for Suffolk town supervisors and village mayors to testify at the affordable housing hearings began, "There is no tougher political office to hold than town supervisor or village mayor if you want to create more affordable housing. On the one hand, you see the need and perhaps have creative ideas about where affordable housing can be placed in your Township. On the other hand, if you try to implement these ideas, you face intense criticism from local groups opposed to such housing."

Suffolk County has 10 townships and 34 incorporated villages, each of which maintains ultimate control of the zoning decisions that can advance or impede the creation of affordable housing. Unlike other counties such as Montgomery, Maryland or Fairfax, Virginia that have made great strides in the creation of affordable housing, Suffolk

County has very limited zoning authority through the review-process of the Suffolk County Planning Commission.

Arguing for mixed use (commercial with residential) development and greater densities (more units per acre) to accommodate the construction of affordable housing, Dr. Pearl Kamer said, “I think there is the political will to do this but I think the public has to be convinced.” The following are specific recommendations to overcome local opposition to affordable housing.

- **Public Education.** The County should utilize, through local and state funding, the public education materials and media advertisements created by the Long Island Campaign for Affordable Rental Housing (LICARH) “Can You Afford to Live Without Them?” and the Long Island Association “Next Generation Housing” campaigns to persuade the public that affordable housing:
 - Is in the public’s own best interests;
 - Is not a threat to the community;
 - Will not overwhelm school districts with children;
 - Is critical to the future health of Suffolk’s economy and property values.
- **A Bi-County Housing Summit.** The Suffolk Legislature should call upon Suffolk County Executive Steve Levy, Nassau County Executive Tom Suozzi and their counterparts in the Nassau County Legislature to convene a Nassau/Suffolk Affordable Housing Summit, as proposed by Gina Pelletieri of the Long Island Housing Partnership, of “all their respective towns and villages to discuss cooperative efforts to develop more affordable housing in each community.” This summit should focus on the following barriers to affordable housing:
 - Challenging public misperceptions, myths and stereotypes about the impact of affordable housing on local neighborhoods.
 - Fostering inclusionary zoning, mandatory affordable housing set asides, mixed-use and density land-use, creation of legal accessory apartments and apartments above stores and downtown, Smart Growth revitalization projects at the town and village levels of government.
- **Workforce Housing Incentive Act.** The Legislature should adopt a memorializing resolution calling upon the New York State Legislature – in particular, the nine Long Island state senators – to support the DiNapoli/Balboni Workforce Housing Incentive Act that would require a 10% set aside for affordable housing in all new complexes of five or more units. The Legislature should further call upon the state to mandate that the affordable units be provided to a range of incomes below 80% of median, i.e., households earning 60%, 50%, 40%, 30% and 20% or less of the median income.
- **A Long Island Council of Governments.** While efforts by the newly-reorganized Long Island Regional Planning Board to coordinate a regional approach to Nassau/Suffolk housing needs should be encouraged, Vision Long Island has proposed creation of a Council of Governments, representing county, town and village officials, that would play an advisory role in coordinating regional approaches to housing, zoning, transportation and environmental issues.
- **Additional State Education Aid.** There is widespread misperception that affordable housing, particularly rental units, generates many additional children in school

districts. Yet, Peter Elkowitz of the Long Island Housing Partnership and Matthew Whalen of Avalon Bay Communities, using the Rutgers University Center for Urban Policy research formula, reported that a 4 bedroom home generates 1.12 children, while 1,171 Avalon rental units on Long Island generated 0.18 children and 1,198 other Nassau/Suffolk affordable units generated 0.25 children. (Presentation at the November, 2005 Vision Long Island Smart Growth Summit.) Nevertheless, the Suffolk Legislature should call upon New York State government officials to adopt a Massachusetts statute that provides additional state education aid - i.e., makes whole - school districts that accept affordable housing units. Toward this end, the Legislature should explore legislation of this kind introduced by Assemblyman Marc Alessi.

- **Suffolk Affordable Housing Inventory.** The Legislature should urge the Long Island Regional Planning Board to conduct an accurate inventory of the actual number of owner-occupied and rental affordable housing units that have been created, and remain affordable, in each of Suffolk County's 10 towns and 34 incorporated villages.
- **Needs Assessments.** The Legislature should urge the Long Island Regional Planning Board to conduct an affordable housing needs assessment in all towns and villages with specific target numbers generated for each community.
- **Make Affordability Permanent.** One criticism of past affordable housing complexes and programs is that the value of the homes rises with market increases, thereby making them unaffordable or creating windfalls for the owners. The Legislature should encourage, through the Department of Economic Development and Workforce Housing, policies that maintain affordability in County-developed affordable housing, including:
 - Caps on the value of the home to the Consumer Price Index;
 - A requirement that the owner return excess profits to an affordable housing fund;
 - Deed covenants, restrictions and re-sale stipulations that maintain affordability.
- **Combat Racism.** Elaine Gross from ERASE Racism and Janet Hanson of Long Island Housing Services each testified about racial prejudices that make Long Island the 3rd most segregated suburb in the United States and impede the development of affordable housing. Among their recommendations:
 - The Legislature should urge the Long Island Regional Planning Board to encourage every town and village to adopt an Analysis of Impediments (AI) as required by municipalities seeking federal Community Development Block Grants (CDBG) The AIs identify impediments toward integrating communities as well as strategies for overcoming these impediments such as advertising and outreach to communities of color about the availability of new affordable housing units. The County should honor those local governments that develop AIs which address housing integration.
 - The Legislature should make certain that adequate funding and staffing - including a full-time attorney - are provided to the Suffolk County Human Rights Commission to insure enforcement of the County's newly-adopted fair housing law designed to reduce racist real-estate practices such as racial steering.

Barrier #2: Cumbersome Approval Processes

- **Fast-Track Affordable Housing.** The Legislature should continue to support these Suffolk County Department of Economic Development and Workforce Housing activities to fast track or expedite the approval process for affordable housing:
 - On-going efforts to fast track town/village project approvals with the County Departments of Health, Public Works and the Division of Real Estate should continue and be expanded.
 - The Department of Economic Development and Workforce Housing should continue and expand coordination of meetings with town and village planning departments to share information and creative approaches to housing, identify funding streams and supportive programs, strategize on how to overcome barriers, and update progress in the expansion of the County's affordable housing stock.
- **Site Location, Funding and Infrastructure Barriers.**
 - Each legislator should identify sites in his/her district that could take denser rental and ownership housing to address the needs of their constituents.
 - The Legislature should continue to support the Department of Economic Development and Workforce Housing efforts regarding:
 - Transfer of Development Rights;
 - Sanitary Flow Credits;
 - Funding and support for the creation of sewage treatment facilities (a major barrier to the creation of affordable housing in unsewered areas;)
 - Funding and support for the acquisition of new properties for the development of affordable housing;
 - Transfer of tax foreclosure properties to local municipalities, at no cost, for the development of affordable housing.
 - The land trust concept similar to that employed by East Hampton Township should be explored by the Department of Economic Development and Workforce Housing.
 - The Legislature should consider endorsing Assemblyman Fred Thiele's bill calling for adding a half percent to the land transfer tax dedicated expressly to the creation of affordable housing.

Barrier #3: Resistance to Housing for Low-Income People

Understanding that Suffolk County has virtually no housing to meet the needs of the 129,419 low-income households earning under \$40,000 a year, a number of recommendations were made.

- The Legislature should call upon state government officials to create a 421-a tax credit program, similar to that provided to New York City, for developers of rental apartments who set aside 20% of the units in each apartment complex for affordable rental housing. This program has led to the creation of 110,000 New York City units since the 1970s, with an additional 20,000 units anticipated over the next decade. (*In Overhaul, City Seeks to Expand Lower-Cost Units, New York Times, December 21, 2006.*) Members of the Legislature should also reach out to state senators and assembly members

during the state budget process to support funding for affordable housing programs such as the Neighborhood Preservation Program.

- When the County utilizes federal or state funds to support the creation of affordable owner-occupied housing, there should be a mandated accessory apartment for low-income renters, with a guarantee of permanent affordability for the rental unit, as recommended by Wyandanch Homes and Property Development Corporation.
- The Legislature should create a Task Force to explore:
 - Providing additional funding, through the Department of Social Services, for supportive case management programs for very-low income people placed in subsidized rental housing such as the services provided by Options for Living, Wyandanch Homes and Property Development Corporation, Community Development Corporation of Long Island, Family Service League and Community Housing Innovations.
 - Creating a County rental subsidy program – similar to the federal Section 8 program – for people transitioning from welfare to work.
- The Legislature should consider adopting a Suffolk County rent control law to stabilize rents for low and moderate income households, as recommended by Community Housing Innovations.

Conclusion

Legislators: Use Your Pulpit ... Expedite the Process

The members of the Welfare to Work Commission understand that the fragmentation of government power on Long Island has created a lock on zoning powers for local towns and villages. The County has little direct influence over the day-to-day decisions such as inclusionary zoning that could lead to greater density, mixed-use developments, legalized accessory apartments and other policies that would increase the stock of affordable rental and ownership units. However, the County Legislature can use, and has used, its moral suasion – its “bully pulpit” - to keep the affordable-housing issue before the public eye, including the need to create housing for the entire workforce, particularly low and moderate income people.

The Legislature can also take the lead in regional solutions to the housing crisis by encouraging the Long Island Regional Planning Board to continue its work in this area, and by convening a summit of county, town and village officials to address the crisis. Additionally, the Legislature can explore the idea of establishing a Council of Governments to coordinate and advise county, town and village officials on regional Smart Growth issues, including the affordable housing shortage.

Finally, the Legislature should continue to support through resources and staffing the recommendations of the Workforce Housing Commission and the activities of the Department of Economic Development and Workforce Housing that have initiated procedures to fast track the County approval process for affordable housing developments. As the County sets the pace, the Legislature should encourage each town and village to create a staff position and a process to expedite the local approval of affordable housing developments.

In the end, despite the lack of County zoning powers, the Legislature can create the much needed political will and stimulate public support that may finally translate the talk about affordable housing into action. The future of Suffolk's economy and workforce, the stability of our families, the value of our properties, and the fairness of our suburban way-of-life are at stake as we decide where and how and for whom we will build the 65,000 to 69,500 units of affordable housing we desperately need in the next ten years. Without action, this haunting testimony by Prudence Carbine on November 6th may foreshadow our common legacy: "I'm still able to reside in the Town of East Hampton after 12 generations [of my family living here.] My children cannot, sadly."

Agencies and Officials That Provided Testimony at the Hearings
(In their order of appearance)

Professional Researchers

- Dr. Pearl Kamer, Chief Economist, Long Island Association
- Dr. David Muchnick, Sustainable Enterprise
- Dr. Suzanne Michael and Dr. Sarah Eichberg, Vital Signs Project, Adelphi University

Government Officials

- Edward Hernandez, Deputy Commissioner, Suffolk County Department of Social Services
- Joseph Sanseverino, Director of Community Development and Marion Zucker, Director of Affordable Housing, Suffolk County Department of Economic Development and Workforce Housing
- Douglas Aloise, Community Development Director, Town of Huntington
- Eugene Murphy, Commissioner of Planning and Development, Town of Islip
- Frank DeRubeis, Director of Planning and Community Development, Town of Smithtown
- Marian Russo, Executive Director of the Community Development Agency, Village of Patchogue
- Thomas Ruhle, Director of the Department of Housing and Community Development, Town of East Hampton

Non-Government Community Organizations

- Gina Pelletieri, Director of Technical Assistance, and Diana Weir, Vice President, Long Island Housing Partnership
- Michael Deering, Vice President, Long Island Association
- Eileen Anderson, Senior Vice President, Community Development Corporation of Long Island
- Joan Noguera, Executive Director, Nassau/Suffolk Coalition for the Homeless
- Peter Barnett, Executive Director, Wyandanch Homes and Property Development Corporation
- Stacey Clark, Director of Family Services, Habitat for Humanity of Suffolk
- Paul Arfin, President and Chief Executive Officer, Intergenerational Strategies
- Linda Goetchius, Hands Across America
- Janet Hanson, Long Island Housing Services
- Options for Community Living: residents Ezan Mohammed; Andy Lum; Joseph Yanetta; Rebecca Augusta; Mary Wallin; Sherome Ward; Susan Bach; Donna Travis; Sara Stines Donaldson; Gerry Pappa
- Rosemary Dehlow, Long Island Director, Community Housing Innovations
- Elaine Gross, Executive Director, ERASE Racism
- Sr. Ann Kathleen, Coordinator, St. John the Evangelist Parish Outreach Center Moriches
- Dr. Karen Martin, Brighter Tomorrows
- Hank Beck, Vice President, Greater Westhampton Chamber of Commerce

- Carolyn Gumbs, Long Island Council of Churches Riverhead Food Pantry
- Prudence Carabine, Board President, Peconic Community Council and member of the East Hampton Town Housing Options Advisory Board
- Barbara Jordan, Board Member, Suffolk County League of Women Voters
- Christian Aquilano, Program Director, Gerald McDowell, Housing Specialist, Joan Avolese March, Director of Equity Homes, Help Suffolk,
- Eric Alexander, Director, Vision Long Island (written testimony)
- Dr. Diane Aquino, Executive Director, Long Island Adolescent and Family Services, Inc., (written testimony)
- Dr. Ruth Brandwein, Director, Social Justice Center and Professor, School of Social Welfare, State University of New York, Stony Brook, (written testimony)
- Marge Rogatz, President, Community Advocates, Inc. (written testimony)

Submitted by the Welfare to Work Commission of the Suffolk County Legislature

February, 2007

Richard Koubek, Ph.D., Chair, Catholic Charities

Kathy Ligouri, Vice Chair, Tutor Time

Mary Allen, Gerald Ryan Outreach Center

Idania Aponte, The INN

Peggy Boyd, Family Service League

Gwendolyn Branch, Long Island Council of Churches

Judy Cahn, Suffolk BOCES

Susan Dugan, Suffolk County Department of Labor

Joan Grant, Economic Opportunity Corporation

Robert Greenberger, F. E. G. S. Health and Human Services System

Edward Hernandez, Suffolk County Department of Social Services

Cheryl Keshner, Nassau/Suffolk Law Services

Pam Killoran, Workforce Investment Board

Nina Leonhardt, Suffolk County Community College

Barbara LoMoriello, Office of the Presiding Officer, Suffolk County Legislature

Hon. Elie Mystal, Suffolk County Legislature

Ken Zone, Long Island Cares Inc, Harry Chapin Food Bank