

**To:** The Chairperson and Members

From: Eric Enderlin

President

Date: November 18, 2024

**Re:** Approval to Fund Contract Services for City Housing Activation Taskforce

(CHAT)

I am pleased to recommend that the Members approve the use of the Corporation's unrestricted reserves in an amount not to exceed \$2,000,000 to fund contract services for consultants to support the preparation of City-owned properties for development into mixed-income housing to bolster the supply of affordable housing citywide.

On August 21, 2024, New York City Mayor Eric Adams issued Executive Order No. 43. This Order created the City Housing Activation Task Force ("CHAT" or "Task Force") and mandated that participating agencies "identify potential sites for housing development and to determine if such sites could be used to further housing production." The Task Force is a key part of Mayor Adams' "Get Stuff Built" plan, a three-pronged framework to address the housing supply crisis with a "moonshot" goal of building 500,000 homes over the next decade. The Task Force includes New York City Economic Development Corporation (NYCEDC), New York City Housing Development Corporation (HDC), Department of Housing Preservation and Development (HPD), Department of City Planning (DCP), Department of Citywide Administrative Services (DCAS), and the Mayor's Office of Management and Budget (OMB) in addition to the City agencies that occupy sites that have been identified for review.

The Task Force builds directly on the Housing Supply Study completed by BJH Advisors, LLC and their subcontractors, FX Collaborative and BAE Urban Economics, which received approval for partial funding by the Members on October 10, 2023. As part of a broader set of recommendations, the Housing Supply Study identified 20 City-owned properties for possible redevelopment into mixed-income housing. The Task Force will now extend that work to a larger set of properties and, if approved by the Members, additional contract services to perform the tasks necessary to prepare a site for development into mixed-income housing.

Following a competitive mini-Request for Proposals ("RFP") issued on September 20, 2024, NYCEDC selected FXCollaborative and Skidmore, Owings & Merrill ("SOM") (the "Consultants") as lead consultants. NYCEDC consulted the Mayor's Office and the relevant agencies to evaluate the Consultants' responses. NYCEDC will contract directly with the Consultants. The Corporation has been asked by the City to facilitate the work of the Task Force by funding the Consultants' contracts.

The Consultants will help the Task Force evaluate and prepare identified City-owned properties for development into mixed-income housing. The Consultants and their subcontractors will provide a range of services to evaluate the feasibility of redeveloping these sites and support their predevelopment. The sites under evaluation include office, programmatic, warehouse, industrial, and parking facilities. Nearly all of the sites have a current City use or activity that will need to be addressed. A core function of the Consultants will be to evaluate the optimal property solution for the existing City use on the site and assist with relocation assessment and pre-planning.

NYCEDC selected two Consultants to ensure sufficient capacity and prevent a work backlog given the number of sites and need for simultaneous reviews of multiple properties with quick turnaround timeframes.

Both FXCollaborative and SOM included subcontractors with the technical expertise necessary to allow them to deliver the broad range of services required by the Task Force.

Subject to the Members' approval of funding, the Corporation and NYCEDC will enter into a Memorandum of Understanding ("MOU") to describe roles and responsibilities, including HDC's funding of the contracts with the Consultants. As a condition to providing the funding, the Corporation will require indemnification from the City.

## **Action by Members**

The Members are requested to approve (a) the use of the Corporation's unrestricted reserves in an amount not to exceed \$2,000,000, to fund contracts between NYCEDC and each of the Consultants, and (b) the execution by an Authorized Officer of the Corporation of any document necessary to carry out such funding.